

**REMARKS FOR THE RECORD  
BY PRINCIPAL DEPUTY ASSISTANT SECRETARY FOR SOUTH AND  
CENTRAL ASIAN AFFAIRS DONALD CAMP  
BEFORE THE U.S. HOUSE OF REPRESENTATIVES  
FOREIGN AFFAIRS SUBCOMMITTEE ON SOUTH ASIA**

**“Pakistan’s F-16 Program”**

**September 16, 2008**

Chairman Ackerman, Members of the Subcommittee, thank you for inviting me to address you today on Pakistan’s F-16 program.

On February 18 of this year, the Pakistani people went to the polls and elected moderate leaders who are working to set a stable, prosperous, democratic path for Pakistan into the future. The journey along this path is going to be a difficult one as Pakistan faces increasing economic challenges and the serious threat of growing instability in the border regions. The United States wants to see this new government succeed, not only because it represents the desires of the Pakistani people but because we believe that a moderate government with a democratic mandate is the most effective partner in the fight against terrorists and violent extremism.

During Prime Minister Gillani’s visit to Washington in late July, you saw the United States and Pakistan committed to maintaining and strengthening our broad-based partnership, and the United States committed to steps that can help Pakistan deal with economic problems and increase its effectiveness in countering the extremist threat. The Administration’s request to re-direct Foreign Military Financing in 2008 and beyond to support F-16 Mid-Life Updates speaks directly to these two commitments. Updates to Pakistan’s F-16s will make these aircraft far more effective against terrorist targets, while helping with these payments will provide the newly-elected Pakistani government valuable fiscal flexibility as they deal with rising food and fuel prices.

Mr. Chairman, my colleagues and I represent the Administration’s commitment to the F-16 program and we ask for your support to approve the Administration’s request to re-direct the remaining \$110 million in 2008 Foreign Military Financing for the Mid-Life Update and an additional \$142 million in the future. The new Government of Pakistan stands behind these requests and has

committed to assume subsequent payments with national funds beginning in December 2009.

## **F-16s Defined U.S.-Pakistan Engagement**

The sale of F-16s to Pakistan became a transformative element of the U.S.-Pakistan bilateral relationship over 20 years ago, and this historical context is important to understand and remember as we determine how to handle the questions of F-16 financing today. Not only a component of Pakistan's national defense, the F-16 has become an iconic symbol of our bilateral relationship and our commitment to each other.

In the early 1980s, the U.S. government initially agreed to sell Pakistan 111 F-16 aircraft. This decision was influenced by our close partnership with Pakistan during the Soviet invasion of Afghanistan. By October 1990, however, Pressler sanctions were imposed when President (George Herbert Walker) Bush was unable to certify that Pakistan was not developing a nuclear weapon. The Pressler sanctions led to a decade-long suspension of security assistance to Pakistan and a deficit of trust between our two countries that we are still working to overcome.

The suspension of our security assistance programs required under Pressler meant the suspension and eventual cancellation of an additional sale of F-16 aircraft that would have augmented the 40 F-16s Pakistan purchased in 1982. That cancellation has been viewed as a symbol of the collapse of our relationship during the 1990s, a period which remains highly emotional for many Pakistanis. The suspension of our security assistance also precluded Pakistani military officers from attending U.S. military schools, which has produced nearly a generation of Pakistani military officers who have not traveled to the United States to learn side-by-side with American officers.

## **September 11 Re-defined Our Relationship**

As you know, Mr. Chairman, the September 11, 2001 attacks resulted in a profound shift in U.S. policy towards South and Central Asia. The terrorist attacks on our homeland led to a strategic choice by the Government of Pakistan to support U.S. efforts to remove the Taliban regime from power in Afghanistan. Pakistan's decision gave us the support of a critical neighbor, enabled us to undertake Operation Enduring Freedom and has helped to sustain coalition operations over the last seven years, with Pakistan's road networks and port facilities serving as the critical supply line for our military forces in Afghanistan.

In return, after September 11<sup>th</sup>, the Administration committed to reinvigorating the security relationship between our two countries. This led to Pakistan's designation as a Major Non-NATO Ally in 2004 and the President's commitment to provide Pakistan a \$3 billion assistance package over five years, evenly divided between security and development. Soon after, the Administration sought to overturn decades of bitterness by agreeing to sell Pakistan a new generation of F-16s and providing it with the ability to upgrade its existing fleet.

This agreement was formally codified in September 2006 when Pakistan signed three separate Letters of Offer and Acceptance (LOA) that constitute the core of Pakistan's F-16 program. Prior to signing the Letters of Offer and Acceptance, the Administration notified Congress that the sale would serve to stabilize the conventional military balance in South Asia, provide Pakistan the ability to conduct Close Air Support in ongoing operations in the Global War on Terror and restore Pakistan's confidence in the enduring nature of our relationship with them.

## **The Purchase**

Pakistan had originally planned a total purchase valued at \$5.1 billion, almost all of it in national funds. The 2005 Kashmir earthquake and subsequent financial constraints caused Pakistan to reduce the number of new planes it wanted to purchase from 36 to 18, which lowered the overall value of the deal to approximately \$3.1 billion. The 18 new planes are valued at \$1.4 billion, with the remainder of the \$3.1 billion dedicated to associated munitions (valued at approximately \$641 million) and 46 Mid-Life Update (MLU) kits for Pakistan's existing F-16 fleet (estimated to cost \$891 million). Additionally, the United States has provided Pakistan with 14 F-16s designated as Excess Defense Articles (EDA).

Pakistan will use REPROGRAMMED FUNDS TO PURCHASE the Mid-Life Update kits to upgrade the Excess Defense Article F-16s delivered over the last two and a half years. The Mid-Life Update case was written and agreed upon by the U.S. and Pakistan as a "mixed funding" case, allowing Pakistan to use \$108.395 million in FY 2006 FMF credits on the overall \$891 million case. Pakistan's subsequent request to use additional Foreign Military Financing has led us to the current request to re-direct funds in FY 2008 and beyond.

The Pakistanis have requested that the Administration allow it to use a portion of its FY 2008 and FY 2009 Foreign Military Financing Presidential commitment, totaling \$368M, for the Mid-Life Update program. They have also

committed to making all additional payments beyond this request with national funds. Even with this Pakistani request, over 83% of the F-16 program will have been funded through Pakistani national funds. It is important to note that Pakistan has a consistent payment record on the three other Foreign Military Sales cases associated with this sale and historically on all other Foreign Military Sales cases.

## **F-16s and the War on Terror**

F-16s provide a critical counterterrorism capability to Pakistan and the Pakistan Air Force (PAF) has recently made extensive use of its aging F-16 fleet to support Pakistan Army operations in the Swat Valley and in the Bajaur Agency of the Federally Administered Tribal Areas (FATA). According to information furnished to us by the Pakistan Embassy in Washington, the PAF flew 93 sorties in August 2008 in operations against the Taliban. However, their current model F-16 can be used for close air support missions only in daylight and good visibility. They cannot be employed at night, a fact not lost on the Taliban and other extremist groups being targeted.

U.S. F-16s use day-night, all weather, air-dropped precision-guided munitions to great effect in Iraq; and we believe Pakistan should be able to use this capability to achieve our shared goals in countering militants along its western border. The new and enhanced F-16s will provide Pakistan the ability to attack fleeing targets with precision during all weather conditions. The Mid-Life Update will enable the Pakistan Air Force to use an advanced targeting pod that provides the ability to generate ground position data that can then be used to direct guided munitions to a target. In addition, the Mid-Life Update comes with an advanced communications system that enables real time communication with ground forces – a critical capability for Close Air Support missions. Combined, these systems provide Pakistan's Air Force with the technological capability to conduct precision close air strikes against Al Qaeda, Taliban, and associated terrorist targets in the FATA, as well as provide non-traditional Intelligence Surveillance and Reconnaissance (NTISR), a critical enabler in a counterinsurgency campaign.

The Pakistan Air Force will receive considerable training associated with the F-16 cases including specific F-16 pilot and maintenance training for their F-16 technicians. We are currently finalizing a comprehensive training plan with us that will include Close Air Support, Combat Search and Rescue, aerial refueling, and night flying operations. This will also mean an improved ability to limit civilian casualties, which will in turn lead to greater willingness on the part of the Pakistani military to employ the F-16s in a counter-terrorism role.

It is also important to note that Pakistan's request to use Foreign Military Financing for the Mid-Life Update program will not detract from investments in other equipment that is being employed in direct support of ongoing military operations in the Tribal Areas. Our original congressional notification for the use of \$247 million of Pakistan's Foreign Military Financing allocation stated that Pakistan would use this assistance to finance the refurbishment of Pakistan Navy P-3C aircraft, to purchase Pakistan Air Force Command and Control articles and services, tactical radios for Pakistan's Army, TOW missiles and to modernize and maintain Pakistan's Cobra helicopters. Twenty million dollars of the \$247 million will still be used to purchase TOW missiles and tactical radios. In addition, the Cobra helicopters, for which there are signed Letters of Offer and Acceptance, will be financed through Pakistan's remaining FY 2008 Foreign Military Financing allocation of \$50.57 million, which will be released pending expiration of the congressional notification period.

## **Conclusion**

Mr. Chairman, I would like to emphasize the strategic importance of Pakistan to U.S. interests, not just regionally, but globally. While the F-16 plays an important role in Pakistan's efforts to defeat extremism, it also has achieved strategic importance as a symbolic barometer of the overall state of our relationship and trust between our militaries. Given the tangible and symbolic importance of Pakistan's F-16 program we request Congressional support to re-direct the remaining \$110 million in Foreign Military Financing in Fiscal Year 2008 and up to \$142 million in the future. I thank you for this opportunity to appear before this Committee.

My colleagues and I are happy to respond to your questions at this point. Thank you.

###