

can't build a highway in Mozambique. A major petrochemical company in Egypt is on hold, and an energy project in Mozambique cannot be finalized. Hoffman International, a small business in New Jersey, can't finalize a deal with the Government of Cameroon.

If we are not trading, we are losing in this country. And if we don't have an Ex-Im Bank, we don't have a fully functioning trade apparatus. That is truth. So it is time to put aside this petty squabble.

I want to remark briefly that when we started the reauthorization effort, I was told: There is no way; you can't get the majority opinion.

The Ex-Im Bank got almost 70 votes here—almost 70 votes for reauthorization. When it went over to the House, where we were told once again that we could never get the political support for reauthorization, that it is too toxic, too high profile, guess what—well, 70 percent of the House of Representatives voted for the Ex-Im Bank.

We are being held captive. There are 250,000 American workers being held captive by an ideology that is going to fail us and doom our export effort to failure for not just the next couple of years but for a generation to come. The whole while, do you know what China is doing? When China's growth took a little dip, they pumped even more billions of dollars into their ex-im bank, into their ex-im credit agency. Do you think they did that because they thought it was a worthless gesture? No. They did it because they knew they could compete against us.

Let's not fail these 250,000 workers. Let's not fail to be smart in our competition with China. Let's get this done. The only way to get it done is to get a quorum on the Ex-Im Bank, and the only way to get a quorum is to break the deadlock that is here, stop leading with ideology, start leading with common sense, and start leading with the opportunity to respond to one of the most significant special interests groups in this country; that is, the American workers.

Thank you, Mr. President.

I yield the floor.

The PRESIDING OFFICER. The majority leader.

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## LEGISLATIVE SESSION

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### MORNING BUSINESS

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Senate proceed to legislative session for a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

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### SENATE NATO OBSERVER GROUP

Mr. McCONNELL. Mr. President, today the Democratic leader and I are

proud to reestablish the Senate NATO Observer Group. The group was originally established in 1997 to provide a focal point for addressing NATO issues that cut across committee jurisdictions and to help educate Senators on the issues involved in any decision to enlarge NATO and to permit close interaction between the executive branch and the Senate during negotiations on NATO enlargement. Following the Senate's ratification of the protocols of accession in April 1998, the group ceased to function until it was reestablished on June 17, 2002. Senate Majority Leader Tom Daschle of South Dakota and Minority Leader Trent Lott of Mississippi announced the formation of a new Senate NATO Observer Group to follow NATO's decision to formally invite additional new countries to join the Alliance at the Prague Summit. In his floor announcement, Senator Daschle said the bipartisan Senate NATO Observer Group would "advise the full Senate" on NATO and the next round of NATO enlargement. The Senate NATO Observer Group remained active through 2007, but was ultimately disbanded due to a lack of NATO enlargement rounds.

In arguing for reestablishment of the group, Senators TILLIS and SHAHEEN wrote to Senator SCHUMER and I that: "Exactly 10 years ago Estonia was one of the first countries to come under attack from Russia's modern form of hybrid warfare. In 2007, Russia conducted massive cyber-attacks on Estonia in response to Estonia's decision to relocate a Soviet Red Army memorial in Tallinn. One year later, as talks of eventual NATO membership for Georgia were debated, Russia activated its famed little green men in Georgia, invaded, and eventually occupied the Georgian regions of South Ossetia and Abkhazia. These regions are under Russian occupation to this day."

In 2014, Ukraine befell a similar fate as Russia instigated a conflict, resulting in the occupation of Crimea and continued bloodshed in Ukraine's Donbass or eastern region. Since April 2014, when war erupted in eastern Ukraine, more than 10,000 people have died, a number which is steadily rising. Despite successive attempts at international negotiations and peace, the Kremlin grew more aggressive in its stance and, in 2016, expanded its malign efforts into Western Europe and the United States.

During the 2016 U.S. Presidential elections, U.S. intelligence agencies were able to conclude that Russia interfered in the U.S. elections using a combination of hybrid tools. A similar pattern soon emerged across NATO states, where the Kremlin used both cyber attacks and disinformation to sow chaos and mistrust in Western democracies. Given these newfound challenges, increased engagement and assistance for transatlantic security was elevated as a critical priority for the Senate, as well as successive administrations.

The 2018 Senate NATO Observer Group will mirror the structure and make-up of previous Senate NATO Observer Groups with eight Members serving ex officio, the two leaders plus the chairman and ranking member of the Appropriations, Armed Services, and Foreign Relations Committees. In addition, the chairman and ranking member of the Senate Intelligence Committee would also be invited to serve as ex-officio members. Senators SHAHEEN and TILLIS, both Members of the Senate Armed Services Committee, would be named the cochairs, and a small group of Senators active on NATO issues would be named to the group jointly by the leaders and cochairs.

Mr. SCHUMER. Mr. President, today I am pleased to join my colleague the Republican leader in reestablishing the Senate NATO Observer Group. In the late 1940s, under the stewardship of President Harry Truman, the United States led our Western allies in the creation of an unprecedented arrangement to provide for our collective defense. Since then, NATO has guaranteed the security of our European allies and has come to our aid, protecting the United States in its darkest hours following the 9/11 attacks. Today, new threats are emerging from Russia and along NATO's southern border, making the alliance more necessary than ever. It is the responsibility of the Senate to be kept abreast of any and all factors affecting such a key component of our national defense.

The Senate NATO Observer group was first established in 1997 and oversaw the enlargement of our alliance to countries recently freed from Soviet domination in Eastern Europe. Following the reestablishment of the group in 2002 by Majority Leader Tom Daschle of South Dakota and Minority Leader Trent Lott of Mississippi, the Senate NATO Observer group had an oversight role during the NATO mission in Afghanistan—again, the only time a NATO member has invoked the right to collective self-defense.

Unfortunately, since talks of further enlargement of the alliance expired 10 years ago, the Senate Observer Group lapsed. Since that time, Russia has reasserted itself in Eastern Europe through the aggressive use of hybrid warfare, including cyber infiltration of our allies' political infrastructure, as well as our own. While Georgia considered eventual NATO membership, Russia invaded and occupied South Ossetia and Abkhazia, regions which remain in Russian hands today. A similar fate befell Ukraine in 2014, when Russia's "little green men" were inserted into a civil conflict that spilled over into a civil war in which thousands of people died.

As we learned during the 2016 Presidential election, the Kremlin's aggressive posture extends far beyond Russia's borders. American intelligence agencies have shown conclusively that Russia has interfered in elections at

home and abroad using a sophisticated array of cyber attacks and disinformation to undermine confidence in the American political process and in Western democracy writ large. Neither the United States nor our NATO allies are immune from such attacks. That is why it is imperative that we continue to invest in and strengthen that alliance. Moreover, it is why the U.S. Senate must be actively involved in ensuring that our most important alliance remains alert to the serious issues before us.

There are several pressing issues on which the observer group will immediately begin work on. NATO recently established a naval command for the Atlantic, dedicated to ensuring the freedom of the seas, a policy the United States has steadfastly upheld since the early days of the republic. In addition to an increased focus on protecting the sea lanes between Europe and North America, a new NATO logistics command and a cyber operations center are being formed in response to the continued aggressive posture of Russian forces along NATO's eastern border. Cyber defense in particular should be of acute interest to Senators in this group. Russian cyber attacks have damaged countries around the world and continue to threaten critical infrastructure in the United States. I look forward to learning how NATO will integrate each nation's cyber defense knowledge into its own and how we might learn from our allies about how best to protect ourselves from cyber warfare.

This Congress began with a unanimous vote reaffirming the United States' commitment to article 5 of the North Atlantic Treaty. There can be no doubt that the Senate remains firmly committed to transatlantic security and to countering the malign influence of a hostile Kremlin at home and abroad. The opportunity to learn from our allies and prepare for the future is too important. So I am glad that my colleagues Senators SHAHEEN and TILLIS have spearheaded the reestablishment of the NATO Observer Group, on which they will serve as cochairs.

**ARMS SALES NOTIFICATION**

Mr. CORKER. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive prior notification of certain proposed arms sales as defined by that statute. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Senate Foreign Relations Committee.

In keeping with the committee's intention to see that relevant information is available to the full Senate, I ask unanimous consent to have printed in the RECORD the notifications which have been received. If the cover letter references a classified annex, then such

annex is available to all Senators in the office of the Foreign Relations Committee, room SD-423.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEFENSE SECURITY  
COOPERATION AGENCY,  
Arlington, VA.

Hon. BOB CORKER,  
Chairman, Committee on Foreign Relations,  
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 18-06, concerning the Navy's proposed Letter(s) of Offer and Acceptance to the Government of Mexico for defense articles and services estimated to cost \$1.2 billion. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,  
GREGORY M. KAUSNER,  
(For Charles W. Hooper,  
Lieutenant General, USA, Director).

Enclosures.

TRANSMITTAL NO. 18-06

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: Government of Mexico.

(ii) Total Estimated Value:  
Major Defense Equipment \* \$ .8 billion.  
Other \$ .4 billion.  
Total \$ 1.2 billion.

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:

Major Defense Equipment (MDE):  
Eight (8) MH-60R Multi-Mission Helicopters, equipped with:  
Twenty (20) T-700 GE 401 C Engines (16 installed and 4 spares).

Sixteen (16) APS-153(V) Multi-Mode Radars (8 installed, 8 spares).

Ten (10) Airborne Low Frequency System (ALFS) (8 installed and 2 spares).

Twelve (12) AN/AAS-44C Multi-Spectral Targeting Systems Forward Looking Infrared Systems (8 installed, 4 spares).

Twenty (20) Embedded Global Positioning System/Inertial Navigation Systems (EGI) with Selective Availability/Anti-Spoofing Module (16 installed and 4 spares).

Thirty (30) AN/AVS-9 Night Vision Devices.

One thousand (1,000) AN/SSQ-36/53/62 Sonobuoys.

Ten (10) AGM-114 Hellfire Missiles.  
Five (5) AGM-114 M36-E9 Captive Air Training Missiles.

Four (4) AGM-114Q Hellfire Training Missiles.

Thirty eight (38) Advanced Precision Kill Weapons System (APKWS) II Rockets.

Thirty (30) Mk -54 Lightweight Hybrid Torpedoes (LHTs).

Twelve (12) M-240D Machine Guns.  
Twelve (12) GAU-21 Machine Guns.

Non-MDE: Also included are twelve (12) AN/ARC-220 High Frequency radios; fourteen (14) AN/APX-123 Identification Friend or Foe Transponders (8 installed and 6 spares); spare engine containers; facilities study, design, and construction; spare and repair parts; support and test equipment; communication equipment; ferry support; publications and technical documentation; personnel training and training equipment; U.S. Government and contractor engineering, technical and logistics support services; and other related elements of logistical and program support.

(iv) Military Department: Navy (MX-P-SAA).

- (v) Prior Related Cases, if any: None.
- (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: See Attached Annex.
- (viii) Date Report Delivered to Congress: April 18, 2018
- \* As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Mexico—MH-60R Multi-Mission Helicopters  
The Government of Mexico has requested to buy eight (8) MH-60R Multi-Mission Helicopters, equipped with: twenty (20) T-700 GE 401 C engines (16 installed and 4 spares); sixteen (16) APS-153(V) Multi-Mode radars (8 installed, 8 spares); ten (10) Airborne Low Frequency Systems (ALFS) (8 installed and 2 spares); fourteen (14) AN/APX-123 Identification Friend or Foe transponders (8 installed and 6 spares); twelve (12) AN/AAS-44C Multi-Spectral Targeting Systems Forward Looking Infrared Systems (8 installed, 4 spares); twenty (20) Embedded Global Positioning System/Inertial Navigation Systems (EGI) with Selective Availability/Anti-Spoofing Module (16 installed and 4 spares); thirty (30) AN/AVS-9 Night Vision Devices; one thousand (1,000) AN/SSQ-36/53/62 Sonobuoys; ten (10) AGM-114 Hellfire missiles; five (5) AGM-114 M36-E9 Captive Air Training missiles; four (4) AGM-114Q Hellfire training missiles; thirty eight (38) Advanced Precision Kill Weapons System (APKWS) II rockets; thirty (30) Mk 54 Lightweight Hybrid Torpedoes (LHTs); twelve (12) M-240D machine guns; twelve (12) GAU-21 Machine Guns. Also included are twelve (12) AN/ARC-220 High Frequency radios; spare engine containers; facilities study, design, and construction; spare and repair parts; support and test equipment; communication equipment; ferry support; publications and technical documentation; personnel training and training equipment; U.S. Government and contractor engineering, technical and logistics support services; and other related elements of logistical and program support. The total estimated value is \$1.20 billion.

This proposed sale will support the foreign policy and national security of the United States by helping to improve the security of a strategic regional partner. Mexico has been a strong partner in combating organized crime and drug trafficking organizations. The sale of these aircraft to Mexico will significantly increase and strengthen its maritime capabilities. Mexico intends to use these defense articles and services to modernize its armed forces and expand its existing naval and maritime support of national security requirements and in its efforts to combat criminal organizations.

The proposed sale will improve Mexico's ability to meet current and future threats from enemy weapon systems. The MH-60R Multi-Mission Helicopter will enable Mexico to perform anti-surface and antisubmarine warfare missions and secondary missions including vertical replenishment, search and rescue, and communications relay. Mexico will use the enhanced capability as a deterrent to regional threats and to strengthen its homeland defense. Mexico will have no difficulty absorbing this equipment 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 Lockheed Martin Rotary and Mission Systems in Owego, New York. There are no known offset agreements in connection with this potential sale.

Implementation of this proposed sale will require the assignment of additional U.S.