

EFFECTIVE DATE: September 12, 1996.

FOR FURTHER INFORMATION CONTACT:

Naomi Freeman, International Trade Specialist, Office of Textiles and Apparel, U.S. Department of Commerce, (202) 482-4212. For information on the quota status of this limit, refer to the Quota Status Reports posted on the bulletin boards of each Customs port or call (202) 927-5850. For information on embargoes and quota re-openings, call (202) 482-3715.

SUPPLEMENTARY INFORMATION:

Authority: Executive Order 11651 of March 3, 1972, as amended; section 204 of the Agricultural Act of 1956, as amended (7 U.S.C. 1854).

The current limit for Category 435 is being increased for carryforward.

A description of the textile and apparel categories in terms of HTS numbers is available in the **CORRELATION:** Textile and Apparel Categories with the Harmonized Tariff Schedule of the United States (see Federal Register notice 60 FR 65299, published on December 19, 1995). Also see 60 FR 57405, published on November 15, 1995.

The letter to the Commissioner of Customs and the actions taken pursuant to it are not designed to implement all of the provisions of the bilateral agreement, but are designed to assist

only in the implementation of certain of its provisions.

Troy H. Cribb,

Chairman, Committee for the Implementation of Textile Agreements.

Committee for the Implementation of Textile Agreements

September 11, 1996.

Commissioner of Customs,

Department of the Treasury, Washington, DC 20229.

Dear Commissioner: This directive amends, but does not cancel, the directive issued to you on November 8, 1995, by the Chairman, Committee for the Implementation of Textile Agreements. That directive concerns imports of wool textile products in Category 435, produced or manufactured in Ukraine and exported during the twelve-month period which began on January 1, 1996 and extends through December 31, 1996.

Effective on September 12, 1996, you are directed to increase the current limit for Category 435 to 91,001 dozen¹, as provided for under the provisions of the Memorandum of Understanding dated May 6, 1995, between the Governments of the United States and Ukraine.

The Committee for the Implementation of Textile Agreements has determined that this action falls within the foreign affairs exception of the rulemaking provisions of 5 U.S.C. 553(a)(1).

¹ The limit has not been adjusted to account for any imports exported after December 31, 1995.

Sincerely,

Troy H. Cribb,

Chairman, Committee for the Implementation of Textile Agreements.

[FR Doc. 96-23687 Filed 9-16-96; 8:45 am]

BILLING CODE 3510-DR-F

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 96-69]

36(b) Notification

AGENCY: Department of Defense, Defense Security Assistance Agency.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b) arms sales notification. This is published to fulfill the requirements of section 155 of P.L. 104-164 dated 21 July 1996.

FOR FURTHER INFORMATION CONTACT: Mr. A. Urban, DSAA/COMPT/FPD, (703) 605-6575.

The following is a copy of the letter to the Speaker of the House of Representatives, Transmittal 96-69, with attached transmittal, policy justification and sensitivity of technology pages.

Dated: September 12, 1996.

L.M. Bynum,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5000-04-M



DEFENSE SECURITY ASSISTANCE AGENCY

WASHINGTON, DC 20301-2800

05 SEP 1996

In reply refer to:
I-04228/96ct

Honorable Newt Gingrich
Speaker of the House of
Representatives
Washington, D.C. 20515-6501

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 96-69, concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance (LOA) to Egypt for defense articles and services estimated to cost \$34 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

A handwritten signature in black ink, reading "Thomas G. Rhame", is positioned above the typed name.

Thomas G. Rhame
Lieutenant General, USA
Director

Attachments

Same ltr to: House Committee on International Relations
Senate Committee on Appropriations
Senate Committee on Foreign Relations
House Committee on National Security
Senate Committee on Armed Services
House Committee on Appropriations

Transmittal No. 96-69

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act

- (i) Prospective Purchaser: Egypt
- (ii) Total Estimated Value:

Major Defense Equipment*	\$ 28 million
Other	\$ <u>6 million</u>
TOTAL	\$ 34 million
- (iii) Description of Articles or Services Offered:

Three hundred fourteen AIM-9M SIDEWINDER air-to-air missiles, 30 training missiles, missile containers, test sets and support equipment, spare and repair parts, publications and technical documentation, personnel training and training equipment, U.S. Government and contractor engineering and support services and other related elements of logistics support.
- (iv) Military Department: Navy (ABR)
- (v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None
- (vi) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold:

See Annex attached.
- (vii) Date Report Delivered to Congress: **05 SEP 1996**

as defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATIONEgypt - AIM-9M SIDEWINDER Missiles

The Government of Egypt has requested the purchase of 314 AIM-9M SIDEWINDER air-to-air missiles, 30 training missiles, missile containers, test sets and support equipment, spare and repair parts, publications and technical documentation, personnel training and training equipment, U.S. Government and contractor engineering and support services and other related elements of logistics support. The estimated cost is \$34 million.

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

These missiles will augment the current Egyptian AIM-9L missile inventory and provide added capability for the F-16 aircraft in the air-to-air role. Egypt will have no difficulty absorbing the missiles into its munitions inventory.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor is the Raytheon Corporation, Andover, Massachusetts. There are no offset agreements proposed to be entered into in connection with this potential sale.

Implementation of this sale will not require the assignment of any additional U.S. Government personnel in Egypt; however, it is estimated that Egypt will require approximately 10 man-years of contractor technical support following delivery of the missiles.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

Transmittal No. 96-69

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act

Annex
Item No. vi

(vi) Sensitivity of Technology:

1. The external view of the AIM-9M (1-2) SIDEWINDER missile is Unclassified and not sensitive. The guidance and control system (GCS) and target detector (TD) are Confidential and contain sensitive state-of-the-art technology.

2. Manuals and technical documents which are necessary for operational use and organizational maintenance have portions that are classified Confidential. Performance and operating logic of the countermeasures circuits are Secret.

3. If a technologically advanced adversary were to obtain the weapon or descriptive material, the information could be used to develop countermeasures that could reduce overall effectiveness.

4. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification. Moreover, the benefits to be derived from this sale, as outlined in the Policy Justification, outweigh the potential damage that could result if the sensitive technology were revealed to unauthorized persons.