

**DEPARTMENT OF DEFENSE****Office of the Secretary**

[Transmittal No. 00-03]

**36(b)(1) Arms Sales Notification****AGENCY:** Defense Security Cooperation Agency, Department of Defense.**ACTION:** Notice.

**SUMMARY:** The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Pub. L. 104-164 dated 21 July 1996.

**FOR FURTHER INFORMATION CONTACT:** Ms. J. Hurd, DSCA/COMPT/RM, (703) 604-6575.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 00-03 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: November 4, 1999.

**L.M. Bynum,**

*Alternate OSD Federal Register Liaison Officer, Department of Defense.*

**BILLING CODE 5001-10-M**



## DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

27 OCT 1999

In reply refer to:

I-99/010356

Honorable J. Dennis Hastert  
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. 00-03, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to Denmark for defense articles and services estimated to cost \$48 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

A handwritten signature in black ink, appearing to read "MS Davison", is positioned above the typed name of the signatory.

MICHAEL S. DAVISON, JR.  
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. 00-03

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

- (i) **Prospective Purchaser:** Denmark
- (ii) **Total Estimated Value:**

|                          |                     |
|--------------------------|---------------------|
| Major Defense Equipment* | \$ 46 million       |
| Other                    | \$ <u>2 million</u> |
| TOTAL                    | \$ 48 million       |
- (iii) **Description of Articles or Services Offered:** Two hundred twenty-five M26A1 Extended Range Rocket pods (six rockets per pod) for the Multiple Launch Rocket System (MLRS), production verification testing, spare and repair parts, support equipment, publications and technical documentation, personnel training and training equipment, U.S. Government and contractor technical and logistics personnel services and other related elements of program support
- (iv) **Military Department:** Army (VJC, Amendment 1)
- (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:** 27 OCT 1999

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

**POLICY JUSTIFICATION****Denmark - Extended Range Rocket Pods for the Multiple Launch Rocket Systems**

The Government of Denmark has requested a possible sale of 225 M26A1 Extended Range Rocket pods (six rockets per pod) for the Multiple Launch Rocket System (MLRS), production verification testing, spare and repair parts, support equipment, publications and technical documentation, personnel training and training equipment, U.S. Government and contractor technical and logistics personnel services and other related elements of program support. The estimated cost is \$48 million.

This proposed sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of Denmark.

The Government of Denmark will use these ERR pods with their MLRS which have already been delivered in FY 99. These EER pods will upgrade Denmark's anti-armor capabilities. Denmark has previously purchased ERR pods and, therefore, will have no difficulty absorbing these additional pods.

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

The prime contractor will be Lockheed Martin Vought Systems, Dallas, Texas. There are no offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government or contractor representatives to Denmark.

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

## Transmittal No. 00-03

**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 highest level of classified information required to be released for training, operation and maintenance of the Multiple Launch Rocket System (MLRS) Extended Range Rocket (ERR) pods is Confidential. The highest level of information which could be revealed through reverse engineering or testing of the end item is Secret. MLRS-ERR technical data and information includes Confidential and Secret reports and data, as well as performance and capability data, classified Confidential/Secret.

2. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software elements, the information could be used to develop countermeasures or equivalent systems which might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.

3. A determination has been made that Denmark can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

[FR Doc. 99-29383 Filed 11-9-99; 8:45 am]  
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**DEPARTMENT OF DEFENSE****Office of the Secretary**

[Transmittal No. 00-04]

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**AGENCY:** Defense Security Cooperation  
Agency, Department of Defense.

**ACTION:** Notice.

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**FOR FURTHER INFORMATION CONTACT:** Ms. J. Hurd, DSCA/COMPT/RM (703) 604-6575.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 00-04 with attached transmittal and policy justification.

Dated: November 4, 1999.

**L.M. Bynum,**

*Alternate OSD Federal Register Liaison  
Officer, Department of Defense.*

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