

## 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]

**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 00-04 with attached transmittal and policy justification.

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-99/010773

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. 00-04, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance (LOA) to the Netherlands for defense articles and services estimated to cost \$275 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.

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. 00-04**

**Notice of Proposed Issuance of Letter of Offer  
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of the Arms Export Control Act**

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

Major Defense Equipment*	\$ 0 million
Other	<u>\$ 275 million</u>
<b>TOTAL</b>	<b>\$ 275 million</b>
- (iii) **Description of Articles or Services Offered:** Logistics support services/equipment for the F-16 aircraft including avionics/computer software support, aircraft engine services/modifications, publications and technical documentation, contractor technical services, spare and repair parts, depot level repair support and other related program elements of support to ensure aircraft operational availability.
- (iv) **Military Department:** Air Force (QBK)
- (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:** none
- (vii) **Date Report Delivered to Congress:** 27 OCT 1999

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

**POLICY JUSTIFICATION****Netherlands - Logistics Support for F-16 Aircraft**

The Government of the Netherlands has requested a possible sale of logistics support services/equipment for the F-16 aircraft including avionics/computer software support, aircraft engine services/modifications, publications and technical documentation, contractor technical services, spare and repair parts, depot level repair support and other related program elements of support to ensure aircraft operational availability. The estimated cost is \$275 million.

This proposed sale will contribute to the foreign policy and national security of the United States by improving the military capabilities of Netherlands and enhancing weapon system standardization and interoperability of this important NATO ally.

The Netherlands needs this logistics support to maintain the operational level of its F-16 squadrons in support of organic and NATO mission commitments. The Netherlands will have no difficulty absorbing these additional logistic support services.

The proposed sale of these support services will not affect the basic military balance in the region.

The contractors expected to participate in this program are United Technologies Corporation, Pratt & Whitney, West Palm Beach, Florida; Lockheed Martin Tactical Aircraft Systems, Fort Worth, Texas; and Northrop Grumman Corporation, Baltimore, Maryland. There are no offset agreements proposed to be entered into in connection with this potential sale.

Implementation of this proposed sale will require the assignment of one U.S. Government and three contractor representatives in-country for a period of up to five years.

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