

Transmittal No. 02-37

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

**Annex
Item No. vii**

(vii) Sensitivity of Technology:

1. The AGM-114K3 HELLFIRE II Air-to-Surface Anti-Armor missile hardware and documentation are unclassified. Missile performance parameters and characteristics, including susceptibility to countermeasures, are classified up to Secret and considered very sensitive. Missile hardware is considered sensitive and knowledge of the warhead timing mechanism would be useful in development of countermeasures. Technology contained within the missile is sensitive and Unclassified. The sensitivity of the system is primarily in the software programs which enable the missile to operate in a countermeasures environment. Training, maintenance, operations and related documentation are unclassified and not considered sensitive.

2. Missile design features minimize the possibility of reverse engineering U.S. capabilities.

3. If a technologically advanced adversary were to obtain knowledge of the specific hardware in this proposed sale, the information could be used to develop countermeasures, which might reduce the effectiveness of the reconnaissance system, or be used in the development of a system with similar capabilities.

4. A determination has been made that Egypt 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. 02-23414 Filed 9-13-02; 8:45 am]
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DEPARTMENT OF DEFENSE**Office of the Secretary****[Transmittal No. 02-40]****36(b)(1) Arms Sales Notification****AGENCY:** Department of Defense, Defense Security Cooperation Agency.**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 02-40 with attached transmittal and policy justification.

Dated: September 9, 2002.

Patricia L. Toppings,
Alternate OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5001-08-M



DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

4 SEP 2002

In reply refer to:
I-02/008737

The 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 (AECA), as amended, we are forwarding herewith Transmittal No. 02-40, concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance (LOA) to the Taipei Economic and Cultural Representative Office in the United States for defense articles and services estimated to cost \$250 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

A handwritten signature in cursive script, reading "Tome H. Walters, Jr.", is positioned above the typed name.

TOME H. WALTERS, JR.
LIEUTENANT GENERAL, USAF
DIRECTOR

Attachments

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

Transmittal No. 02-40

**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:** Taipei Economic and Cultural Representative Office in the United States
- (ii) **Total Estimated Value:**

Major Defense Equipment*	\$167 million
Other	<u>\$ 83 million</u>
TOTAL	\$250 million
- (iii) **Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:** 48 rebuilt Standard Assault Amphibious Personnel Vehicles, 4 Assault Amphibious Command Vehicles, 2 Assault Amphibious Recovery Vehicles, enhanced Position Laser Remote Sensor radios, supply support, installation kits, spare and repair parts, chargers, support equipment, publications and documentation, personnel and training equipment, quality assurance team, U.S. Government and contractor technical support; and other related elements of logistics support.
- (iv) **Military Department:** Navy (SDR)
- (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:** none
- (viii) **Date Report Delivered to Congress:** 4 SEP 2002

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

POLICY JUSTIFICATION

Taipei Economic and Cultural Representative Office in the United States – Assault Amphibious Vehicles

Taipei Economic and Cultural Representative Office in the United States has requested a possible sale of 48 rebuilt Standard Assault Amphibious Personnel Vehicles, 4 Assault Amphibious Command Vehicles, 2 Assault Amphibious Recovery Vehicles, enhanced Position Laser Remote Sensor radios, supply support, installation kits, spare and repair parts, chargers, support equipment, publications and documentation, personnel and training equipment, quality assurance team, U.S. Government and contractor technical support; and other related elements of logistics support. The estimated cost is \$250 million.

This sale is consistent with United States law and policy as expressed in Public Law 96-8.

The Assault Amphibious Vehicles program will replace the recipient's aged and non-supportable Landing Vehicle Tracked fleet, thereby improving its counter landing capability and self-defense posture.

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

The prime contractor will be United Defense LP Ground Systems Division of Santa Clara, California. There are no offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require the assignment of a U.S. contractor field service support representative for one year after delivery of the vehicles to the recipient.

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

[FR Doc. 02-23415 Filed 9-13-02; 8:45 am]
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DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 02-41]

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

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 Public Law 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 02-41 with attached transmittal and policy justification.

Dated: September 9, 2002.

Patricia L. Toppings,
Alternate OSD Federal Register Liaison Officer, Department of Defense.

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