

DEPARTMENT OF DEFENSE**Office of the Secretary****[Transmittal Nos. 08–46]****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. B. English, DSCA/DBO/CFM, (703) 601–3740.

The following is a copy of a letter to the Speaker of the House of

Representatives, Transmittals 08–46 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: October 7, 2008.

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

BILLING CODE 5001–06–M



DEFENSE SECURITY COOPERATION AGENCY
WASHINGTON, DC 20301-2800

OCT 03 2008

In reply refer to:
USP003050-08

The Honorable Nancy Pelosi
Speaker of the House of Representatives
Washington, DC 20515-6501

Dear Madam Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 08-46, concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance to Taipei Economic and Cultural Representative Office in the United States for defense articles and services estimated to cost \$200 million. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey A. Wieringa".

Jeffrey A. Wieringa
Vice Admiral, USN
Director

Enclosures:

- 1. Transmittal**
- 2. Policy Justification**
- 3. Sensitivity of Technology**

Same ltr to:

House

Committee on Foreign Affairs
Committee on Armed Services
Committee on Appropriations

Senate

Committee on Foreign Relations
Committee on Armed Services
Committee on Appropriations

Transmittal No. 08-46

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

- (i) **Prospective Purchaser:** Taipei Economic and Cultural Representative Office in the United States pursuant to P.L. 96-8
- (ii) **Total Estimated Value:**
- | | |
|--------------------------|----------------------|
| Major Defense Equipment* | \$116 million |
| Other | <u>\$ 84 million</u> |
| TOTAL | \$200 million |
- (iii) **Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:** 32 UGM-84L Sub-Launched HARPOON Block II missiles, 2 UTM-84L HARPOON Block II Exercise missiles, 2 Advanced HARPOON Weapons Control System (Version 2), 36 HARPOON containers, 2 UTM-84XD Encapsulated HARPOON Certification and Training Vehicles, test equipment and services, spares and repair parts for support equipment, training and training equipment, publications and technical documents, U.S. Government and contractor technical assistance, and other related elements of logistics and program support.
- (iv) **Military Department:** Navy (LGP)
- (v) **Prior Related Cases, if any:**
- FMS case LEZ - \$66 million - 02 Sep 93
FMS case LFV - \$84 million - 18 Jun 97
FMS case LGB - \$86 million - 30 Sep 98
FMS case LGI - \$110 million - 13 Sep 01
FMS case LGN - \$37 million - 30 May 03
FMS case LGV - \$120 million - 15 Nov 07
- (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 Annex attached
- (viii) **Date Report Delivered to Congress:**

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

POLICY JUSTIFICATION**Taipei Economic and Cultural Representative Office in the United States - UGM-84L HARPOON Block II Missiles**

The Taipei Economic and Cultural Representative Office in the United States has requested a possible sale of 32 UGM-84L Sub-Launched HARPOON Block II missiles, 2 UTM-84L HARPOON Block II Exercise missiles, 2 Advanced HARPOON Weapons Control System (Version 2), 36 HARPOON containers, 2 UTM-84XD Encapsulated HARPOON Certification and Training Vehicles, test equipment and services, spares and repair parts for support equipment, training, publications and technical documents, U.S. Government and contractor technical assistance, and other related elements of logistics and program support. The estimated cost is \$200 million.

This proposed sale serves U.S. national economic and security interests by supporting the recipient's continuing efforts to modernize its armed forces. The proposed sale will help improve the security of the recipient and assist in maintaining political stability, military balance, and economic progress in the region.

This sale is consistent with United States law and policy as expressed in Public Law 96-8. The U.S. is committed to providing military assistance under the terms of the Taiwan Relations Act.

The recipient uses HARPOON missiles to enhance its self-defense capabilities. The recipient has previously purchased both air and surface launched HARPOON missiles and will be able to absorb and effectively utilize these submarine-launched missiles.

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

The prime contractor will be McDonnell Douglas Company, a wholly owned subsidiary of Boeing Company in St. Louis, Missouri. Although the purchaser generally requires offsets, at this time, there are no known offset agreements proposed in connection with this potential sale.

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

Transmittal No. 08-46**Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act****Annex
Item No. vii****(vii) Sensitivity of Technology:**

1. The UGM-84L Sub-Launched HARPOON Block II missile contains sensitive technology and has the following classified components, including applicable technical and equipment documentation and manuals:

- a. Radar seeker**
- b. Global Positioning System/Inertial Navigation System (GPS/INS)**
- c. Operational Flight Program (OFP)**
- d. Missile operational characteristics and performance data**
- e. Guidance Control Unit**
- f. Costal Target Suppression**

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 that might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.