DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal Nos. 08-70]

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 08–70 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 2800 DEFENSE PENTAGON WASHINGTON, DC 20301-2800

OCT 0 3 2008
In reply refer to:
USP007907-08

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.

08-70, concerning the Department of the Army'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 \$47 million. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

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**

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Committee on Foreign Relations Committee on Armed Services Committee on Appropriations

Transmittal No. 08-70

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

- (i) <u>Prospective Purchaser</u>: Taipei Economic and Cultural Representative Office in the United States
- (ii) Total Estimated Value:

Major Defense Equipment* \$43 million
Other \$4 million
TOTAL \$47 million

- (iii) Description and Quantity or Quantities of Articles or Services under
 Consideration for Purchase: 182 JAVELIN guided missile rounds and 20
 JAVELIN command launch units, 40 JAVELIN missile simulation rounds,
 trainers, rechargeable and non-rechargeable batteries, support equipment,
 spare and repair parts, publications and technical data, personnel training
 and equipment, U.S. Government and contractor engineering and logistics
 personnel services, Quality Assurance Team support services, and other
 related elements of logistics support.
- (iv) Military Department: Army (YZD)
- (v) Prior Related Cases, if any: FMS case YWG-\$38M-8Jul02
- (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: 0CT 0 3 2008

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

POLICY JUSTIFICATION

<u>Taipei Economic and Cultural Representative Office in the United States – JAVELIN</u> <u>Guided Missile Systems</u>

The Taipei Economic and Cultural Representative Office in the United States has requested a possible sale of 182 JAVELIN guided missile rounds and 20 JAVELIN command launch units, 40 JAVELIN missile simulation rounds, trainers, rechargeable and non-rechargeable batteries, support equipment, spare and repair parts, publications and technical data, personnel training and equipment, U.S. Government and contractor engineering and logistics personnel services, Quality Assurance Team support services, and other related elements of logistics support. The estimated cost is \$47 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 will use these JAVELIN missile systems to enhance its direct fire capability for infantry, cavalry, and commando units against armored vehicles, buildings and field fortifications. This system will provide the recipient with a strong man-portable direct fire capability and a credible defense that is critical to successful operations. The recipient previously acquired JAVELIN from the United States in 2002 and will have no difficulty absorbing these systems into its armed forces.

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

The prime contractor will be Raytheon/Lockheed-Martin JAVELIN Joint Venture in Orlando, Florida. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require the assignment of a U.S. Government Quality Assurance Team consisting of one contractor and two U.S. Government representatives in country for five days to accomplish the initial deployment of the missiles.

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

Transmittal No. 08-70

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 JAVELIN Weapon System hardware and the documentation provided with the proposed sale are Unclassified. However, sensitive technology is contained within the system itself. This sensitivity is primarily in the software programs, which instruct the system on how to operate in the presence of countermeasures.
- 2. The JAVELIN anti-tank missile system provides a man-portable, medium anti-tank capability to infantry, scouts, and combat engineers. JAVELIN is comprised of two major components: a reusable command launch unit (CLU) and a missile sealed in a disposable launch tube assembly. The CLU incorporates an integrated day/night sight and provides target engagement capability in adverse weather and countermeasure environments. The CLU may also be used in the stand-alone mode for battlefield surveillance and target detection. The JAVELIN's key technical feature is the use of fire-and-forget technology that allows the gunner to fire and immediately take cover. Additional special features are the top attack and/or direct fire modes (for targets under cover), integrated day/night sight, advanced tandem warhead, imaging infrared seeker, target lock-on before launch, and soft launch from enclosures or covered fighting positions. JAVELIN is Unclassified; however, information associated with the system is classified up to the Secret level.
- 3. The software programs contained in the JAVELIN Weapon System are in the form of microprocessors equipped with available Read Out Memory maps. However, the system does not allow access to the actual software program. The overall hardware is considered sensitive in that the modulation frequency and infrared wavelengths could be useful in attempted countermeasure developments.
- 4. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software elements, the information could be used to develop countermeasures which might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.

[FR Doc. E8–24405 Filed 10–14–08; 8:45 am]