3. A determination has been made that Korea 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. 01–18062 Filed 7–18–01; 8:45 am]
BILLING CODE 5001–08–C

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 01–17]

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 01–17 with attached transmittal, policy justification, and Sensitivity of Technology.

L. M. Bynum,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5001–08–M

DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

26 JUN 2001
In reply refer to:
I-01/006650

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, we are forwarding herewith Transmittal No. 01-17 and under separate cover the classified offset certificate thereto. This Transmittal concerns the Department of the Navy's proposed Letter(s) of Offer and Acceptance (LOA) to the Republic of Korea for defense articles and service estimated to cost $1.6 billion. Soon after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Reporting of Offset Agreements in accordance with Section 36(b)(1)(C) of the Arms Export Control Act (AECA), as amended, requires a description of any offset agreement with respect to this proposed sale. Section 36(g) of the AECA, as amended, provides that reported information related to offset agreements be treated as confidential information in accordance with section 12(c) of the Export Administration Act of 1979 (50 U.S.C. App. 2411(c)). Information about offsets for this proposed sale are described in the enclosed confidential attachment.

Sincerely,

A.R. KELTZ
DEPUTY DIRECTOR

Attachment
As stated

Separate Cover:
Offset certificate

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. 01-17

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

(i) **Prospective Purchaser: Republic of Korea**

(ii) **Total Estimated Value:**

Major Defense Equipment*	$1.3 billion
Other	$ .3 billion
TOTAL	$1.6 billion

(iii) **Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: Thirty-six AH-1Z Super Cobra helicopters, 14 spare T-700-GE-701C engines, 72 SIDEWINDER launchers, 85 M299 HELLFIRE launchers, 100 AIM-9X SIDEWINDER missiles, 576 AGM-114K1 HELLFIRE air-to-surface laser missiles, 40 AGM-114 training and 40 AGM-114 dummy missiles, 39 AN/ARC-210 SINCGARS radios with HAVE QUICK, 400 2.75 inch rockets, M130 chaff dispensers, 20mm cannons and rounds, rockets, spare and repair parts, communications equipment, support equipment, tools and test sets, supply support, publications, personnel training and training equipment, U.S. Government and contractor technical support and other related elements of logistics support.**

(iv) **Military Department: Navy (SDK) and Army (YWA)**

(v) **Prior Related Cases, if any: FMS case YII - $215 million - Cancelled**

(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: 26 JUN 2001**

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

POLICY JUSTIFICATION

Republic of Korea - AH-1 Cobra Attack Helicopters

The Republic of Korea Government (ROKG) has requested the possible sale of 36 AH-1Z Super Cobra helicopters, 14 spare T-700-GE-701C engines, 72 SIDEWINDER launchers, 85 M299 HELLFIRE launchers, 100 AIM-9X SIDEWINDER missiles, 576 AGM-114K1 HELLFIRE air-to-surface laser missiles, 40 AGM-114 training and 40 AGM-114 dummy missiles, 39 AN/ARC-210 SINCGARS radios with HAVE QUICK, 2.75 inch rockets, M130 chaff dispensers, 20mm cannons and rounds, rockets, spare and repair parts, communications equipment, support equipment, tools and test sets, supply support, publications, personnel training and training equipment, U.S. Government and contractor technical support and other related elements of logistics support. The estimated cost is $1.6 billion.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a friendly country which has been and continues to be an important force for political stability and economic progress in Northeast Asia.

Korea desires these articles to fulfill their strategic commitments for self-defense and self-reliance. The proposed sale will upgrade its anti-armor day/night missile capability, provide for the defense of vital installations and provide close air support for the military ground forces. Korea, which already has Cobra helicopters in its inventory, will have no difficulty absorbing these helicopters.

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

The principal contractors will be Bell Helicopter Textron, Incorporated in Hurst, Texas and Lockheed Martin in Orlando, Florida. One or more proposed offset agreements may be related to this proposed sale.

Implementation of this sale will require the assignment of three contractor technical representatives for three years during initial delivery and system check out of the Cobra helicopters.

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

The ROKG is also considering a competing bid for 36 Apache attack helicopters.

Transmittal No. 01-17

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 AH-1Z Super Cobra helicopter is unclassified. Sensitive and/or classified (up to Secret) elements of the AH-1Z Super Cobra helicopter include hardware, accessories, components, and associated software for the following:

a. The external view of the AIM-9X SIDEWINDER missile is Unclassified and not sensitive. The AIM-9X features a high off bore-sight seeker, enhanced countermeasure rejection capability, improved acquisition range and the ability to integrate with aircraft sensors e.g. radar and Helmet Mounted Cueing System. The Seeker/Guidance and Control Section and the Target Detector are Confidential and contain sensitive state-of-the-art technology. Specifically, the infrared seeker sensitivity is a significant improvement over the previous AIM-9 variants.

b. Manuals and technical documents for the AIM-9X that are necessary or operational use and organizational maintenance have portions classified up to Secret. Performance and operating logic of the counter-countermeasures circuits are Secret. The hardware, software, and data identified are classified to protect vulnerabilities, design and performance parameters and similar critical information.

c. The AGM-114K1 HELLFIRE air-to-surface laser 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.

d. AN/APX-100 Identify Friend or Foe (IFF) Mode IV is Classified. Software is classified Confidential. Classified elements of the IFF system include operating characteristics, parameters, and technical data.

e. M130 Chaff-flare Dispenser - a multi-purpose system which dispenses decoys to confuse threat radar and missile IR seekers. Radar cross section and frequency coverage are sensitive elements. Hardware is Unclassified. Technical publications for authorized maintenance levels are Unclassified. Aircraft optimization is the critical element; reverse engineering is not a major concern.

g. AN/ALQ-144A(V)3 Infrared Countermeasure Set - an active, continuous operating, omni-directional, electrically fired infrared jammer system designed to confuse or decoy threat IR missile systems, in conjunction with low reflective paint and engine suppressors. Hardware is classified Confidential. Technical manuals for authorized

maintenance levels are classified Secret. Reverse engineering and development of counter-countermeasures are concerns if the hardware and releasable technical data were compromised.

h. AN/APR-39A(V)4 Radar Signal Detecting Set - provides warning of a radar directed air defense threat to permit appropriate countermeasures. It is programmed with appropriate threat data. Hardware is classified Confidential. Technical manuals for the maintenance levels are classified Confidential. Technical performance data is classified Secret.

i. AN/AVR-2A(V) Laser Warning Set is a passive laser warning system which receives, processes and displays threat information resulting from aircraft illumination by lasers, on the multi-functional display. The hardware is classified Confidential. Technical manuals for operation and maintenance levels are classified Secret.

j. Target Sight System (TSS) provides targeting forward looking, visible light TV, and designating and ranging laser functions to provide strike targeting and terminal guidance for precision/non-precision weapons. The TSS provides stand-off weapons with the capability to attack land and ship targets under day/night or adverse weather conditions and provides both automatic and manual tracking of targets. The TSS is classified Secret due to vulnerability to countermeasures and counter-countermeasures capability.

k. AN/ARC-210 SINCGAR radio with HAVE QUICK II is a voice communications radio system and considered unclassified without HAVE QUICK II. HAVE QUICK II employs cryptographic technology which is classified Secret. Classified elements include operating characteristics, parameters, technical data, and keying material.

l. AAR-47(V)2 Missile Warning Receiver System is an aircraft mounted missile warning system. The system is passive and consists of four sensors (receiving antennas) and two other black box Weapons Replaceable Assemblies. The sensors are UV detectors: when a sensor detects a "missile launch", it sends the appropriate signal to the aircraft's central EW processor which then displays the missile alert to the aircrew and can, if selected, control the dispensing of the appropriate countermeasures. The four sensors can also detect laser energy.

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 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 Korea 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. 01–18063 Filed 7–18–01; 8:45 am]
BILLING CODE 5001–08–C

DEPARTMENT OF DEFENSE

Office of the Secretary

Strategic Environmental Research and Development Program, Scientific Advisory Board

ACTION: Notice.

In accordance with section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92–463), announcement is made of the following Committee meeting:

Date of Meeting: August 8, 2001 from 0830 a.m to 1730 p.m. and August 9, 2001 from 0830 a.m to 1655 p.m.

Place: National Rural Electric Cooperative Association (NRECA), 4301 Wilson Boulevard, Conference Center Room 1, Arlington, VA 22203

Matters to be Considered: Research and Development proposals and continuing projects requesting Strategic Environmental Research and Development Program funds in excess of $1M will be reviewed.

This meeting is open to the public. Any interested person may attend, appear before, or file statements with the Scientific Advisory Board at the time and in the manner permitted by the Board.

For Further Information Contact: Ms. Veronica Rice, SERDP Program Office, 901 North Stuart Street, Suite 303, Arlington, VA or by telephone at (703) 696–2119.