DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 01–25]

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 July 21, 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 01–25 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: September 19, 2001.

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

5 September 2001

In reply refer to:
I-01/007605

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. 01-25, concerning the Department of the Air Force'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 $18 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

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. 01-25

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*	$14 million
Other	$ 4 million
TOTAL	$18 million

(iii) **Description and Quantity or Quantities of Articles or Services under Consideration for Purchase**: Forty AGM-65G Maverick missiles, 48 LAU-117 launchers, 10 training missiles, containers, adapters, spare and repair parts, support and test equipment, software support, maintenance and pilot training, publications and technical documents, U.S. Government and contractor technical assistance, and other related elements of logistics support

(iv) **Military Department**: Air Force (YPG)

(v) **Prior Related Cases, if any**: FMS case YAD - $34 million - 26Aug79

(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**: 5 September 2001

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

POLICY JUSTIFICATION

Taipei Economic and Cultural Representative Office in the United States - AGM-65G Maverick Missiles

The Taipei Economic and Cultural Representative Office in the United States has requested a possible sale of 40 AGM-65G Maverick missiles, 48 LAU-117 launchers, 10 training missiles, containers, adapters, spare and repair parts, support and test equipment, software support, maintenance and pilot training, publications and technical documents, U.S. Government and contractor technical assistance, and other related elements of logistics support. The estimated cost is $18 million.

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

These missiles will allow the recipient's F-16 aircraft to protect and defend its territory against amphibious assault. The AGM-65G's increased range relative to the AGM-65B will increase aircraft survivability. The recipient, which already has AGM-65B missiles in its inventory, will have no difficulty absorbing these additional missiles into its armed forces.

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

The principal contractor will be Raytheon Missile Systems Corporation of Tucson, Arizona. There are no offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require the assignment of U.S. Government and contractor representatives for periodic intervals to assist in the training, operation, and maintenance of the missiles.

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

Transmittal No. 01-25

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 AGM-65G Maverick air-to-ground missile has an overall classification of Secret. The Secret aspects of the Maverick system are tactics, information revealing its vulnerability to countermeasures, and counter-countermeasures.

2. Manuals and technical documents which are necessary for operational use and organizational maintenance have portions that are classified Confidential. Performance and operating logic of the countermeasures circuits are Secret.

3. 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.

4. A determination has been made that the recipient 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. 01–24125 Filed 9–26–01; 8:45 am]
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