

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 00-14]

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 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 00-14 with attached transmittal and policy justification.

Dated: November 4, 1999.

L.M. Bynum,
Alternate OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5001-10-M



DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

27 OCT 1999
In reply refer to:
I-99/011004

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. 00-14 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Air Force's proposed Letter(s) of Offer and Acceptance (LOA) to Thailand for defense articles and services estimated to cost \$157 million. Soon after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

A handwritten signature in black ink, appearing to read "MS Davison".

MICHAEL S. DAVISON, JR.
LIEUTENANT GENERAL, USA
DIRECTOR

Attachments

Separate Cover:
Classified Annex

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

Transmittal No. 00-14**Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act**

- (i) **Prospective Purchaser:** Thailand
- (ii) **Total Estimated Value:**
- | | |
|--------------------------|----------------------|
| Major Defense Equipment* | \$ 134 million |
| Other | \$ <u>23 million</u> |
| TOTAL | \$ 157 million |
- (iii) **Description of Articles or Services Offered:** Eighteen F-16A/B Block 15 ADF aircraft including two non-flyable Block 10 OCU aircraft, two Pratt and Whitney F-100-PW-220E spare engines, spare and repair parts, devices, support equipment, publications and technical documentation, personnel training and training equipment, U.S. Government and contractor engineering and logistics personnel services and other related elements of logistics support.
- (iv) **Military Department:** Air Force (SMG, Amendment 7)
- (v) **Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid:** none
- (vi) **Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold:** See Annex under separate cover
- (vii) **Date Report Delivered to Congress:** 27 OCT 1999

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

POLICY JUSTIFICATION**Thailand - F-16A/B Block 15 ADF Aircraft**

The Government of Thailand has requested a possible sale of 18 F-16A/B Block 15 ADF aircraft including two non-flyable Block 10 OCU aircraft, two Pratt and Whitney F-100-PW-220E spare engines, spare and repair parts, devices, support equipment, publications and technical documentation, personnel training and training equipment, U.S. Government and contractor engineering and logistics personnel services and other related elements of logistics support. The estimated cost is \$157 million.

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 Southeast Asia.

Thailand will use these F-16A/B Block 15 ADF aircraft to maintain a continuous air defense capability and upgrade/modernize their current fleet. Thailand, which already has F-16 aircraft in their inventory, will have no difficulty absorbing these additional aircraft.

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

The principal contractors will be Lockheed Martin, Fort Worth, Texas and Pratt and Whitney, Palm Beach, Florida. 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 representatives in-country for two months.

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