

Dear Commissioner: This directive amends, but does not cancel, the directive issued to you on December 1, 1999, by the Chairman, Committee for the Implementation of Textile Agreements. That directive concerns imports of certain cotton, man-made fiber, silk blend and other vegetable fiber textiles and textile products, produced or manufactured in Bangladesh and exported during the twelve-month period which began on January 1, 2000 and extends through December 31, 2000.

Effective on June 28, 2000, you are directed to adjust the limits for the following categories, as provided for under the Uruguay Round Agreement on Textiles and Clothing:

Category	Adjusted twelve-month limit ¹
335	219,794 dozen.
336/636	620,844 dozen.
342/642	582,721 dozen.
347/348	3,453,982 dozen.
641	774,451 dozen.
645/646	421,167 dozen.
647/648	2,172,317 dozen.
847	467,141 dozen.

¹ The limits have not been adjusted to account for any imports exported after December 31, 1999.

The Committee for the Implementation of Textile Agreements has determined that these actions fall within the foreign affairs exception of the rulemaking provisions of 5 U.S.C. 553(a)(1).

Sincerely,
 D. Michael Hutchinson,
Acting Chairman, Committee for the Implementation of Textile Agreements.
 [FR Doc. 00-16291 Filed 6-27-00; 8:45 am]
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DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 00-44]

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 00-44 with attached transmittal and policy justification.

Dated: June 22, 2000.

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

16 June 2000

In reply refer to:
I-00/006638

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. 00-44, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to Egypt for defense articles and services estimated to cost \$77 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

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

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

Attachments

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. 00-44**Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act**

- (i) **Prospective Purchaser:** Egypt
- (ii) **Total Estimated Value:**

Major Defense Equipment*	\$ 24 million
Other	\$ <u>53 million</u>
TOTAL	\$ 77 million
- (iii) **Description of Articles or Services Offered:** Co-production of 30,000 M865 and 15,000 M831A1 120mm training ammunition cartridges kits; 660 M865 and 480 M831A1 120mm testing calibration cartridges; also, included contractor technical support, ammunition manufacturing support equipment, combustible cartridge case facility, metal storage container manufacturing equipment, support and test equipment, publications, program management, personnel training and training equipment, U.S. Government and contractor technical and logistics services and other related elements of program support.
- (iv) **Military Department:** Army (NFP)
- (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:** none
- (vii) **Date Report Delivered to Congress:** 16 June 2000

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

POLICY JUSTIFICATION

Egypt - Co-production of 120mm Tank Training Ammunition

The Government of Egypt has requested a possible sale for co-production of 30,000 M865 and 15,000 M831A1 120mm training ammunition cartridges kits; 660 M865 and 480 M831A1 120mm testing calibration cartridges; also, included contractor technical support, ammunition manufacturing support equipment, combustible cartridge case facility, metal storage container manufacturing equipment, support and test equipment, publications, program management, personnel training and training equipment, U.S. Government and contractor technical and logistics services and other related elements of program support. The estimated cost is \$77 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 the Middle East.

The proposed sale for co-production of the ammunition will allow the support and sustainment training for Egypt's fleet of 655 U.S. co-produced M1A1 tanks in a self sufficient manner, using ammunition that is of identical configuration to that used by U.S. forces. This sale will also contribute positively to the experience and readiness of the U.S. industrial base. Egypt, which already has training ammunition in its inventory, will have no difficulty absorbing this additional ammunition.

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

The prime contractor is unknown at this time. Award will be made on a competitive basis, however the letter of request from the GOE specified that "The selected prime contractor must be a current active supplier of the 120mm ammunition for the U.S. Army". There are no offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require numerous U.S. Government and contractor representatives to Egypt for varying temporary periods throughout the timeframe of the co-production. Purposes will be for facility construction, facilitization and proveout, as well as technical and logistical support and program management.

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