

[FR Doc. 00-19428 Filed 8-1-00; 8:45 am]

BILLING CODE 5001-10-C

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 00-60]

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 P.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 00-60 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: July 26, 2000.

C.M. Robinson,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5001-10-M



DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

20 JUL 2000
In reply refer to:
I-00/007954

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. 00-60, concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance (LOA) to Egypt for defense articles and services estimated to cost \$182 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,


A.R. KELTZ
DEPUTY 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. 00-60

**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*	\$137 million
Other	\$ <u>45 million</u>
TOTAL	\$182 million
- (iii) **Description of Articles or Services Offered:** Six SPS-48E Three Dimensional (3D) Land Based Radar, decoys, spare and repair parts, test equipment, publications and technical documentation, personnel training and training equipment, U.S. Government and contractor technical support and other related elements of logistics support.
- (iv) **Military Department:** Navy (LDO)
- (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 attached
- (vii) **Date Report Delivered to Congress:** 20 JUL 2000

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

POLICY JUSTIFICATION**Egypt - SPS-48E Three Dimensional Land Based Radar**

The Government of Egypt (GOE) has requested a possible sale of six SPS-48E Three Dimensional (3D) Land Based Radar, decoys, spare and repair parts, test equipment, publications and technical documentation, personnel training and training equipment, U.S. Government and contractor technical support and other related elements of logistics support. The estimated cost is \$182 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.

This radar will allow the GOE to have overlapping detection capability as well as frequency agility within their 3D radar detection capability. This will enhance their ability to detect, identify, and report on all aircraft and missiles within their area of responsibility with increased probability. This radar will provide the GOE an Air Defense Command with real time display of all air activity and is rugged to support a wide range of operations in all types of weather and terrain conditions. Egypt will have no difficulty absorbing these radar 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 the ITT Gilfillan of Van Nuys, California. There are no offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require the assignment of several U.S. Government and contractor representatives to Egypt for a year to assist in the installation of the systems. There will be two U.S. Government representatives for a month to assist in the delivery and resolve problems.

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

Transmittal No. 00-60
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 classification of the SPS-48 radar system and all associated hardware and software is **Unclassified**. The SPS-48E Electronic Counter-Counter Measures (ECCM) is **critical technology**, the ECCM is **Unclassified**. Threat and security concerns relative to the SPS-48E are founded solely upon the system's operational employment. There is significant anticipated consequence due to loss of this hardware technology to an advance or competent adversary.

2. If a technologically advanced adversary were to obtain knowledge of the specific hardware in this proposed sale, 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 advance capabilities.

3. This proposed sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification. Moreover, the benefits to be derived from this proposed sale, as outlined in the Policy Justification, outweigh the potential damage that could result if the sensitive technology were revealed to unauthorized persons.