

DEPARTMENT OF DEFENSE**Office of the Secretary**

[Transmittal No. 98-07]

36(b)(1) Arms Sales Notification**AGENCY:** Department of Defense, Defense Security Assistance 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, DSAA/COMPT/RM, (703) 604-6575.

The following is a copy of a letter to the Speaker of the House of

Representatives, Transmittal 98-07, with attached transmittal, policy justification, and Certification Under Section 620C(d) of the Foreign Assistance Act of 1961.

Dated: October 29, 1997.

L.M. Bynum,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5000-04-M



DEFENSE SECURITY ASSISTANCE AGENCY

WASHINGTON, DC 20301-2800

10 OCT 1997

In reply refer to:
I-55506/97

Honorable Newt Gingrich
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. 98-07 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 Greece for defense articles and services estimated to cost \$42 million. Soon after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

You will also find attached a certification as required by Section 620C(d) of the Foreign Assistance Act of 1961, as amended, that this action is consistent with Section 620C(b) of that statute.

Sincerely,

A handwritten signature in dark ink, appearing to read "Diehl McKalip", is written over a light-colored background.

H. Diehl McKalip
Acting 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. 98-07

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

- (i) Prospective Purchaser: Greece
- (ii) Total Estimated Value:
Major Defense Equipment* \$ 41 million
Other \$ 1 million
TOTAL \$ 42 million
- (iii) Description of Articles or Services Offered:
Ninety AIM-120B Advanced Medium-Range Air-to-Air Missiles (AMRAAM), missile containers, and other related elements of logistics and program support.
- (iv) Military Department: Air Force (SBD, Amendment 6)
- (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: 10 OCT 1997

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

POLICY JUSTIFICATIONGreece - AIM-120B Advanced Medium-Range Air-to-Air Missiles

The Government of Greece has requested a possible sale of 90 AIM-120B Advanced Medium-Range Air-to-Air Missiles (AMRAAM), missile containers, and other related elements of logistics and program support. The estimated cost is \$42 million.

This proposed sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of Greece while enhancing weapon system standardization and interoperability with U.S. forces.

These additional missile systems will augment Greece's previous procurement of 150 AMRAAMs as well as enhance aircraft air-to-air capabilities. These missiles will be provided to Greece in accordance with and subject to the limitations on use and transfer of the Arms Export Control Act, as embodied in the terms of sale. This proposed sale will not adversely affect either the military balance in the region or U.S. efforts to encourage a negotiated settlement of the Cyprus question.

The principal contractors will be Hughes Aircraft International Services Company, Tucson, Arizona and Raytheon Company, Bedford, Massachusetts. One or more proposed offset agreements may be related to this proposed sale.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government personnel or contractor representatives to Greece.

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