DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 98–61]

36(b)(1) Arms Sales Notification

AGENCY: Defense Security Assistance Agency, DOD.

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, DSAA/COMPT/RM, (703) 604–6575.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 98–60, with attached transmittal and policy justification.

Dated: September 29, 1998.

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

18 SEP 1998

In reply refer to:
I-69991/98

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. 98-61 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 Egypt for defense articles and services estimated to cost $76 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,

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. 98-61

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*	$ 59 million
Other	$ 17 million
TOTAL	$ 76 million

(iii) Description of Articles or Services Offered: Upgrade 40 ALQ-131 Block I to Block II pods; update existing 40 Block II pods to the same configuration as the upgrade from Block I to Block II; 40 ALQ-131 receiver processors; spare and repair parts; support equipment; publications and technical data; pilot and maintenance training; and other related elements of logistics support.

(iv) Military Department: Air Force (NFJ)

(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: 18 SEP 1998

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

POLICY JUSTIFICATION

Egypt - Upgrade of ALQ-131 Block I to Block II Pods

The Government of Egypt (GOE) has two configurations of the ALQ-131, Block I and Block II. The GOE has requested a possible upgrade of their 40 ALQ-131 Block I to Block II pods. In addition, they are requesting to update their existing Block II pods to the same configuration as the upgrade from Block I to Block II. The GOE has requested a possible sale of 40 ALQ-131 receiver processors, spare and repair parts, support equipment, publications and technical data, pilot and maintenance training, and other related elements of logistics support. The estimated cost is $76 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 of the pod kits will upgrade the Egyptian Air Force's electronic countermeasure capability. Egypt, which already has ALQ-131 Block I and Block II pods in its inventory, will have no difficulty absorbing these additional pods.

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

The principal contractors will be Northrop-Grumman, Baltimore, Maryland and Lockheed Martin, Yonkers, New York. There are no offset agreements proposed to be entered into in connection with this potential sale.

Implementation of this proposed sale will require the assignment of five U.S. Government personnel for 30 days to provide pilot and maintenance training in-country.

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

[FR Doc. 98–26520 Filed 10–2–98; 8:45 am]
BILLING CODE 5000–04–C