DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 00–15]

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 00–15 with attached transmittal, policy justification, and Sensitivity of Technology.

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-99/011296

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. 00-15, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to Israel for defense articles and services estimated to cost $508 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

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. 00-15

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

(i) **Prospective Purchaser: Israel**

(ii) **Total Estimated Value:**

Major Defense Equipment*	$ 372 million
Other	$ 136 million
TOTAL	$ 508 million

(iii) **Description of Articles or Services Offered: Remanufacture of 24 AH-64A APACHE helicopters to AH-64D model aircraft, 12 AN/APG-78 AH-64D Longbow Fire Control Radar, 12 APR-48A Radar Frequency Interferometer, 56 T-700-GE-701C engines, 24 Target Acquisition Designation Sight/Pilot Night Vision Sensor (TADS/PNVS), 480 AGM-114L3 HELLFIRE II laser guided missiles, spare and repair parts, support 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: Army (YUM)**

(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: 27 OCT 1999**

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

POLICY JUSTIFICATION

Israel - AH-64A APACHE Helicopters Remanufactured to AH-64D Model Helicopters

The Government of Israel has requested a possible sale for remanufacture of 24 AH-64A APACHE helicopters to AH-64D model aircraft, 12 AN/APG-78 AH-64D Longbow Fire Control Radar, 12 APR-48A Radar Frequency Interferometer, 56 T-700-GE-701C engines, 24 Target Acquisition Designation Sight/Pilot Night Vision Sensor (TADS/PNVS), 480 AGM-114L3 HELLFIRE II laser guided missiles, spare and repair parts, support 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 $508 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.

Israel desires these articles to fulfill their strategic commitments for self-defense, with coalition support, in the region. The proposed sale will upgrade its anti-armor day/night missile capability, provide for the defense of vital installations and provide close air support for the military ground forces. Israel, which already has APACHE helicopters in its inventory, will have no difficulty absorbing these helicopters.

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

The principal contractors will be the Boeing Company, Mesa, Arizona; Lockheed Martin Electronics and Missiles, Orlando, Florida; Lockheed Martin Federal Systems, Owego, New York; General Electric, Lynn, Massachusetts; and Longbow LLC, Orlando, Florida. Under this sale, the contractor will incur offset obligations under an existing industrial cooperation agreement.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government and contractor representatives to Israel.

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

Transmittal No. 00-15

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

Classified Annex
Item No. vi

(vi) Sensitivity of Technology:

1. The AH-64D APACHE Attack Helicopter includes the following classified or sensitive components:

a. AN/APG-78 AH-64D Longbow Fire Control Radar (FCR) is an active fire control radar system providing detection, location, classification and prioritization of targets to be prosecuted by the Longbow HELLFIRE Modular Missile System or handed over to other on-board sensor systems. This enables the APACHE helicopter to detect and fire upon targets in visual conditions which preclude the use of visual or infrared imaging systems. Hardware is Unclassified; releasable technical manuals for operation and organic level maintenance are Unclassified. The AH-64D Longbow critical system information is stored in the FCR in the form of mission source codes, target detection, classification algorithms, and coded threat parametrics; all classified Secret. The data, including operational software, proposed for release will not, in itself, facilitate reverse engineering.

b. The AN/APR-48A Radar Frequency Interferometer (RFI) is part of the AN/APR-78 FCR. It passively detects, locates in azimuth, and identifies radar emitters and sends the emitter identification, and location to either the FCR or to the APACHE Weapons Processor for display to the aircrew. Emitter information can also be used for prioritization. Hardware is classified Secret when the User Data Module (UDM) is attached to the RFI Processor Assembly; Unclassified when the UDM is absent. Releasable technical manuals for operation and organic level maintenance are Unclassified. The data, including operational software, proposed for release will not facilitate reverse engineering.

c. The Target Acquisition and Designation Sight/Pilot Night Vision Sensor (TADS/PNVS) with Optical Improvements (OIP) system provides day, night, limited adverse weather target information, as well as night navigation capabilities. The PNVS provides thermal imaging that permits nap-of-the-earth flight to, from, and within the battle area, while TADS provides the co-pilot gunner with search, detection, recognition, and designation by means of Direct View Optics (DVO), television, and Forward Looking Infrared (FLIR) sighting systems that may be used singularly or in combinations. Hardware is Unclassified. Technical manuals for authorized maintenance levels are Unclassified. Reverse engineering is not a major concern.

d. The AGM-114L3 HELLFIRE missiles with containers, hardware, and documentation are Unclassified. The Longbow HELLFIRE missile guidance section and the guidance algorithms (source codes) contain classified technical data and design information. This design information is classified Secret and the warhead performance is classified Confidential. Sensitive software algorithms are contained within the system, but the L-3 version contains several software security capabilities. Also, the missile source code is not releasable. This protects the sensitive software information from being compromised. The Longbow seeker contains critical components, but the technical data package will not be released.

2. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software elements, the information could be used to develop countermeasures or equivalent systems which might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.

3. A determination has been made that Israel can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

[FR Doc. 99–29388 Filed 11–9–99; 8:45 am]
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