

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 00-29]

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 00-29 with attached transmittal and policy justification.

Dated: March 7, 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

28 FEB 2000
In reply refer to:
I-00/001421

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. 00-29 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 \$90 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,

A handwritten signature in black ink that reads "MS Davison".

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. 00-29**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*	\$ 75 million
Other	<u>\$ 15 million</u>
TOTAL	\$ 90 million
- (iii) **Description of Articles or Services Offered: Fifteen LANTIRN Navigation pods, 15 Sharpshooter targeting pods, associated aircraft integration, support equipment, spare parts, technical orders, publications, training, and other related elements of logistics support**
- (iv) **Military Department: Air Force (DBD)**
- (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: 28 FEB 2000**

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

POLICY JUSTIFICATION**Egypt - Navigation and Targeting Pods**

The Government of Egypt has requested a possible sale of 15 LANTIRN Navigation pods, 15 Sharpshooter targeting pods, associated aircraft integration, support equipment, spare parts, technical orders, publications, training, and other related elements of logistics support. The estimated cost is \$90 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 Egyptian Air Force is undergoing a modernization program that involves upgrading its weapon systems for the F-16 aircraft. The LANTIRN pods will provide the F-16 aircraft with a low altitude navigation and targeting system for night operations. Egypt, which already has LANTIRN pods in its inventory, will have no difficulty absorbing these pods.

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

The prime contractor will be Lockheed-Martin Electronics and Missiles Corporation of Orlando, Florida. There are no offset agreements proposed in connection with this potential sale.

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

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