

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 00-47]

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 00-47 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: July 26, 2000.

Patricia L. Toppings,
Alternate OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5001-10-M



DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

18 JUL 2000
In reply refer to:
I-00/007897

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. 00-47, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to Thailand 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.

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. 00-47**Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act**

- (i) **Prospective Purchaser:** Thailand
- (ii) **Total Estimated Value:**
- | | |
|--------------------------|----------------------|
| Major Defense Equipment* | \$ 40 million |
| Other | \$ <u>50 million</u> |
| TOTAL | \$ 90 million |
- (iii) **Description of Articles or Services Offered:** Two UH-60L BLACKHAWK helicopters with T-700 engines, two spare T-700 engines, M130 chaff dispenser, Supply Support Arrangements (FMSO I/II), External Stores Support System, non-MDE guns, ammunition, 2.75 rocket pods, receivers, spare and repair parts, gun pods, tools and support equipment, publications and technical data, personnel training and training equipment, U.S. Government Quality Assurance Team (QAT), contractor engineering and technical support services and other related elements of logistics support.
- (iv) **Military Department:** Army (WEC, WEE, JDG, OCW, and KZE)
- (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:** 18 JUL 2000

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

POLICY JUSTIFICATION

Thailand - UH-60L BLACKHAWK Helicopters

The Government of Thailand has requested a possible sale of two UH-60L BLACKHAWK helicopters with T-700 engines, two spare T-700 engines, M130 chaff dispenser, Supply Support Arrangements (FMSO I/II), External Stores Support System, non-MDE guns, ammunition, 2.75 rocket pods, receivers, spare and repair parts, gun pods, tools and support equipment, publications and technical data, personnel training and training equipment, U.S. Government Quality Assurance Team (QAT), contractor engineering and technical support services and other related elements of logistics support. The estimated cost is \$90 million.

The Army Department has not completed the configuration requirements for Thailand's UH-60L, e.g. the Aircraft Survivability Equipment (ASE) suite. Once the configuration design for Thailand's UH-60L are completed, such as the ASE, communication group and etc., a formal notification under the provision of 36(b)(5) will be submitted.

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 South East Asia.

This procurement will upgrade its air mobility capability and provide for the defense of vital installations and close air support for ground forces. Thailand will have no difficulty absorbing these helicopters into its armed forces.

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

The principle contractors will be United Technology, Sikorsky Aircraft of Stratford, Connecticut. There are no offset agreements proposed in connection with this potential sale.

Implementation of this sale will require the assignment of several U.S. Government Quality Assurance Teams to Thailand. There will be five contractor representatives for one week intervals twice annually to participate in program management and technical reviews. Additional requirement of Mobile Training Team will be determined in joint negotiations as the program proceeds through the final stages.

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

Transmittal No. 00-47**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 UH-60L BLACKHAWK helicopter is Unclassified. The highest level of classified information required to be released for training, operation and maintenance of the BLACKHAWK is Confidential. The highest level which could be revealed through reverse engineering or testing of the end item is Confidential.

2. The UH-60L BLACKHAWK helicopter will include the following classified or sensitive components:

a. M-130 Chaff-Flare Dispenser is a multi-purpose system which dispenses decoys to confuse threat radar and missile IR seekers. Radar cross section and frequency coverage are sensitive elements. Hardware is Unclassified. Technical publications for operation and maintenance are Unclassified. Reverse engine is not a major concern.

3. A determination has been made that Thailand 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.