

**Transmittal No. 03-27****Notice of Proposed Issuance of Letter of Offer  
Pursuant to Section 36(b)(1)  
of the Arms Export Control Act****Annex  
Item No. vii****(vii) Sensitivity of Technology:**

1. **The commercial of 120mm Armor Piercing Fin Stabilized Discarding Sabot-Tracer (APFSDS-T) Kinetic Energy Tungsten Advanced cartridges components are Unclassified. The capabilities of these cartridges, to include the terminal effects, target impact dispersion, and armor defeating capabilities, are classified Confidential, except for armor penetration test results against Special Armored Targets, which are classified Secret or the same level of classification as the target, whichever is greater. The tungsten processing and penetrator manufacturing methods are sensitive data. No technological information regarding the tungsten penetrator material will be supplied with the cartridges being considered for foreign military sales. Overall degree of sensitivity is high. This is a commercially developed item and is not warranted by the U.S. Government.**

2. **A determination has been made that Egypt 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. 03-23143 Filed 9-10-03; 8:45 am]  
BILLING CODE 5001-08-C

**DEPARTMENT OF DEFENSE****Office of the Secretary**

[Transmittal No. 03-28]

**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 Public Law 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 03-28 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: September 5, 2003.

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

**BILLING CODE 5001-08-M**



## DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

3SEP03  
In reply refer to:  
I-03/009163

The 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 (AECA), as amended, we are forwarding herewith Transmittal No. 03-28, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance (LOA) to Saudi Arabia for defense articles and services estimated to cost \$240 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

  
Richard J. Millies  
Deputy Director

**Attachments**

**Same ltr to: House Committee on International Relations  
Senate Committee on Foreign Relations  
House Committee on Armed Services  
Senate Committee on Armed Services  
House Committee on Appropriations  
Senate Committee on Appropriations**

## Transmittal No. 03-28

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

- (i) **Prospective Purchaser:** Saudi Arabia
- (ii) **Total Estimated Value:**
- |                          |                      |
|--------------------------|----------------------|
| Major Defense Equipment* | \$ 23 million        |
| Other                    | <u>\$217 million</u> |
| TOTAL                    | \$240 million        |
- (iii) **Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:** four AN/AAQ-24(V) NEMESIS Directional Infrared Countermeasures Systems which consist of three each small laser turret assemblies, six each missile warning sensors, one each system processor, one each control indicator unit, and two each signal repeaters. Also included, associated support equipment, spare and repair parts, publications, personnel training and training equipment, technical assistance, contractor technical and logistics personnel services and other related elements of program support.
- (iv) **Military Department:** Air Force (QZV)
- (v) **Prior Related Cases, if any:** none
- (vi) **Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid:** none
- (vii) **Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold:** See Annex attached
- (viii) **Date Report Delivered to Congress:** 3SEP03

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

**POLICY JUSTIFICATION****Saudi Arabia – AN/AAQ-24(V) NEMESIS Directional Infrared Countermeasures System**

The Government of Saudi Arabia has requested a possible sale of four AN/AAQ-24(V) NEMESIS Directional Infrared Countermeasures Systems which consist of three each small laser turret assemblies, six each missile warning sensors, one each system processor, one each control indicator unit, and two each signal repeaters. Also included, associated support equipment, spare and repair parts, publications, personnel training and training equipment, technical assistance, contractor technical and logistics personnel services and other related elements of program support. The estimated cost is \$240 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.

Saudi Arabia will install the AN/AAQ-24(V) NEMESIS System on their Boeing 747 and 737 aircraft. They will use the system for the movement and protection of their "Head of State". Saudi Arabia will have no difficulty absorbing this system into its armed forces.

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

The exact contractor is unknown at this time but may involve Northrop-Grumman Corporation of Los Angeles, California. Additional subcontractors may be needed depending on the exact nature of the contracting arrangements established. There are no offset agreements proposed in connection with this proposed sale.

Implementation of this proposed sale will require the assignment of ten each U.S. Government and contractor representatives for one-week intervals annually to participate in program management and technical review.

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

## Transmittal No. 03-28

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

**Annex  
Item No. vii**

**(vii) Sensitivity of Technology:**

1. The AN/AAQ-24(V) NEMESIS Directional Infrared Countermeasures (DIRCM) with a multi-band laser on large infrared signature aircraft reduces the number of required transmitters and increases effectiveness against threats from modern Man-Portable Air Defense Systems. This aircraft self-protection suite will provide fast and accurate threat detection, processing, tracking, and countermeasures to defeat current and future generation infrared missile threats. DIRCM is designed for installation on a wide range of rotary and fixed-wing aircraft.

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

3. A determination has been made that Saudi Arabia 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. 03-23144 Filed 9-10-03; 8:45 am]

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**DEPARTMENT OF DEFENSE****Office of the Secretary**

[Transmittal No. 03-29]

**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 Public Law 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 03-29 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: September 5, 2003.

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

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