

i. The M130 Flare and Chaff Dispenser consists of the dispenser assembly and the payload module. These components dispense decoy objects to confuse threat radar devices. Radar cross section and frequency coverage are sensitive elements. The hardware is unclassified; releasable technical publications for operation and maintenance are unclassified. Aircraft optimization is the critical element; reverse engineering is not a major concern.

j. The Integrated Helmet Display Sight System (IHDSS) is an enhanced version of its predecessor. It will provide improved operational performance primarily in resolution allowing greater utilization of the M-TADS/M-PNVS performance enhancements. The hardware is unclassified.

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 which might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.

[FR Doc. 06-6727 Filed 8-4-06; 8:45 am]

BILLING CODE 5001-06-O

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 06-43]

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/DBO/ADM, (703) 604-6575.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 06-43 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: August 1, 2006.

C.R. Choate,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5001-06-M



DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

28 JUL 2006

In reply refer to:
I-06/008039

The Honorable J. Dennis Hastert
Speaker of the House of Representatives
Washington, DC 20515-6501

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 06-43, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance to the Netherlands for defense articles and services estimated to cost \$200 million. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,

A handwritten signature in cursive script that reads "Richard J. Millies".

Richard J. Millies
Deputy Director

Enclosures:

1. Transmittal
2. Policy Justification

Same ltr to:

House

Committee on International Relations
Committee on Armed Services
Committee on Appropriations

Senate

Committee on Foreign Relations
Committee on Armed Services
Committee on Appropriations

Transmittal No. 06-43

**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:** Netherlands
- (ii) **Total Estimated Value:**
- | | |
|--------------------------|----------------------|
| Major Defense Equipment* | \$ 2 million |
| Other | <u>\$198 million</u> |
| TOTAL | \$200 million |
- (iii) **Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:** establishment of a Continental United States (CONUS)-based Royal Netherlands Air Force F-16 Formal Training Unit (FTU) to include: 130 Laser Guided Training rounds, 150,000 20mm Target Practice training bullets, 3,750 BDU-33 low-drag training bombs, 875 MK-106 high-drag training bombs, pilot training, JP-8 fuel, air refueling support, CONUS base start up, base operating support, facilities, and other related operational/logistics services and support.
- (iv) **Military Department:** Air Force (NAB)
- (v) **Prior Related Cases, if any:**
FMS case YFH - \$24 million - 1Oct90
FMS case YFF - \$16 million - 4Dec89
- (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:** none
- (viii) **Date Report Delivered to Congress:** 28 JUL 2006

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

POLICY JUSTIFICATION

Spain – Turbine Engines

The Government of Spain has requested a possible sale of 43 T55-GA-714A Turbine Engines, modification and fielding kits, test equipment, technical assistance, spare and repair parts, and other related elements of logistics support. The estimated cost is \$73 million.

This proposed sale will contribute to the foreign policy and national security objectives of the United States by helping to improve the military capabilities of Spain and furthering standardization and interoperability with U.S. forces.

Spain needs these engines to replace those used in the CH-47 Chinook aircraft supporting coalition operations. The proposed sale will enhance Spain's ability to continue to engage in coalition warfare along with the U.S. Army. Spain will have no difficulty absorbing these additional engines into its armed forces.

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

The prime contractor will be Honeywell International of Phoenix Arizona. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any U.S. Government or contractor representatives to Spain.

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

[FR Doc. 06-6728 Filed 8-4-06; 8:45 am]
BILLING CODE 5001-06-C

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal 06-42]

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/DBO/ADM, (703) 604-6575.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 06-42 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: August 1, 2006.

C.R. Choate,

Alternative OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5001-06-M