

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

[Transmittal No. 07-23]

**36(b)(1) Arms Sales Notification****AGENCY:** Department of Defense, Defense Security Cooperation Agency.**ACTION:** Notice.

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**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 104-165 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 07-23 with attached transmittal and policy justification.

Dated: June 7, 2007.

**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

JUN 05 2007

In reply refer to:  
I-07/004880

The Honorable Nancy Pelosi  
Speaker of the House of Representatives  
Washington, DC 20515-6501

Dear Madam 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. 07-23, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to Philippines for defense articles and services estimated to cost \$96 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 Foreign Affairs  
Committee on Armed Services  
Committee on Appropriations

Senate

Committee on Foreign Relations  
Committee on Armed Services  
Committee on Appropriations

## Transmittal No. 07-23

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

- (i) **Prospective Purchaser:** Philippines
- (ii) **Total Estimated Value:**
- |                          |                     |
|--------------------------|---------------------|
| Major Defense Equipment* | \$ 0 million        |
| Other                    | <u>\$96 million</u> |
| <b>TOTAL</b>             | <b>\$96 million</b> |
- (iii) **Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:** Harris High Frequency/Very High Frequency (VHF) radio systems, which include 6,356 Advanced Tactical VHF Handheld radio systems, 2,019 20-Watt High Frequency (HF) Man Pack radio systems, ancillary equipment, spare and repairs parts, support equipment, personnel training and training equipment, publications, U.S. Government and contractor engineering and logistics services and other related elements of program support.
- (iv) **Military Department:** Army (VBD)
- (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:** None
- (viii) **Date Report Delivered to Congress:**

JUN 05 2007

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

**POLICY JUSTIFICATION (U)****The Philippines - High Frequency/Very High Frequency Radio Systems**

The Government of the Philippines has requested a possible sale of Harris High Frequency/Very High Frequency (VHF) radio systems, which include 6,356 Advanced Tactical VHF Handheld radio systems, 2,019 20-Watt High Frequency Man Pack radio systems, ancillary equipment, spare and repairs parts, support equipment, personnel training and training equipment, publications, U.S. Government and contractor engineering and logistics services and other related elements of program support. The estimated cost is \$96 million.

This proposed sale is consistent with the foreign policy and national security of the U. S. as it helps to improve the security of a friendly country that has been, and continues to be, an important force for political stability and economic progress in Asia Pacific.

This proposed sale will assist the Philippines in fulfilling its strategic commitments to the U.S. by assisting its efforts to destabilize transnational terrorists' strongholds within its borders; and by improving communications ability and internal command and control while operating in the country's mountain ranges. The Philippines will have no difficulty absorbing this equipment 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 is Harris Corporation of Rochester, New York. There are no known offset agreements proposed in connection with this potential sale.

The number of U.S. Government personnel and contractor representatives required in-country to support the program will be determined in joint negotiations as the program proceeds through the development and equipment installation phases.

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