

POLICY JUSTIFICATION

Israel – High Mobility Medium Tactical Trucks

The Government of Israel has requested a possible purchase of 256 American Truck Company (ATC) 6x6 High Mobility Medium Tactical (HMMT) trucks without cranes, 49 ATC 6x6 High Mobility Medium Tactical (HMMT) trucks with cranes, 10 ATC 6x6 HMMT driver training trucks, 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 \$65 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 that has been and continues to be an important force for political stability and economic progress in the Middle East.

The proposed sale of the HMMT trucks will upgrade and enhance Israel's fleet with a Medium Tactical Truck between the High Mobility Multi-purpose Wheeled Vehicles and Heavy Expanded Mobility Tactical Trucks in their inventory. Israel will have no difficulty absorbing these trucks into its armed forces.

The proposed sale of these trucks will not affect the basic military balance in the region.

The prime contractor is American Truck Company of Ft. Wayne, Indiana. There are no offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require the assignment of four contractor representatives for three months to Israel.

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

[FR Doc. 03-23147 Filed 9-10-03; 8:45 am]
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DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 03-32]

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 03-32 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-03/009297

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. 03-32, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to Israel for defense articles and services estimated to cost \$65 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. 03-32

**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:** The Netherlands
- (ii) **Total Estimated Value:**
- | | |
|--------------------------|----------------------|
| Major Defense Equipment* | \$234 million |
| Other | <u>\$ 64 million</u> |
| TOTAL | \$298 million |
- (iii) **Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:** 30 Modernized Target Acquisition and Designation Sights (M-TADS)/ Modernized Pilot Night Vision Sensors (M-PNVS) modification kits, 30 Integrated Helmet and Display Sight Systems, 1 M-TADS/PNVS modification kit for the Longbow Crew Trainer, spare and repair parts, support/test equipment, publications, technical documentation, maintenance and pilot training, contractor support, other related elements of logistical and program support.
- (iv) **Military Department:** Army (WBU)
- (v) **Prior Related Cases, if any:**
FMS case VXC - \$694 million - 24May95
FMS case TEN - \$100 million - 24May95
- (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

The Netherlands - Modernized Target Acquisition and Designation Sight/Pilot Night Vision Sensor Modification Kits

The Government of the Netherlands has requested a possible sale of 30 Modernized Target Acquisition and Designation Sights (M-TADS)/Modernized Pilot Night Vision Sensors (M-PNVS) modification kits, 30 Integrated Helmet and Display Sight Systems, 1 M-TADS/PNVS modification kit for the Longbow Crew Trainer, spare and repair parts, support/test equipment, publications, technical documentation, maintenance and pilot training, contractor support, other related elements of logistical and program support. The estimated cost is \$298 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 NATO ally, which has been, and continues to be, an important force for political stability and economic progress in Europe.

In improving the capabilities of its AH-64D helicopters, the Netherlands seeks to maintain a standardized configuration similar to the U.S. fleet, particularly the performance and reliability improvements. This proposed sale corrects performance, maintainability, obsolescence, and support cost issues related to the existing fleet and improves flight safety. The M-TADS/M-PNVS would enhance The Netherlands' fleet, which provides a key NATO expeditionary force capability, and would significantly contribute to NATO rationalization, standardization, and interoperability. The Netherlands will have no difficulty absorbing this capability into its force structure.

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

The principle contractors will be: Lockheed Martin Corporation of Orlando, Florida and The Boeing Company of Mesa, Arizona. One or more proposed offset agreements may be related to this proposed sale.

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

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

Transmittal No. 03-32

**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 Modernized Target Acquisition and Designation Sight/Pilot Night Vision Sensor (M-TADS/M-PNVS) is an enhanced version of its predecessor, the TADS/PNVS. The M-TADS will provide second-generation day, night, and limited adverse weather target information, as well as night navigation capabilities. The M-PNVS will provide second-generation thermal imaging that permits safer nap-of-the-earth flight to, from and within the battle area, while the M-TADS provides the co-pilot gunner with improved search, detection, recognition, and designation by means of Direct View Optics (DVO), I2 television, second-generation Forward Looking Infrared (FLIR) sighting systems that may be used singly or in combinations. The hardware and releasable technical manuals are unclassified.

2. Sensitive technological information and/or restricted information pertaining to the M-TADS/M-PNVS will not be included in the export version transferred to the Netherlands. Reverse engineering is not a major concern if the hardware, publications, software, etc, are lost to a technologically advanced or competent adversary.

3. A determination has been made that the Netherlands can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This proposed sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

[FR Doc. 03-23148 Filed 9-10-03; 8:45 am]
BILLING CODE 5001-08-C

DEPARTMENT OF DEFENSE**Office of the Secretary****[Transmittal No. 03-34]****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 03-34 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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