[Transmittal No. 96–78]

36(b) Notification

AGENCY: Department of Defense, Defense Security Assistance Agency.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b) 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: Mr. A. Urban, DSAA/COMPT/FPD, (703) 604–6575.

The following is a copy of the letter to the Speaker of the House of Representatives, Transmittal 96–78, with attached transmittal and policy justification pages.

Dated: September 20, 1996.

L.M. Bynum,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5000–04–M

DEFENSE SECURITY ASSISTANCE AGENCY

WASHINGTON, DC 20301-2800

16 SEP 1996

In reply refer to:
I-04276/96ct

Honorable Newt Gingrich
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. 96-78, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance (LOA) to Egypt for defense articles and services estimated to cost $80 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. Diehl McKalip
Acting 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. 96-78

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

(i) Prospective Purchaser: Egypt

(ii) Total Estimated Value:

Major Defense Equipment*	$ 0 million
Other	$80 million
TOTAL	$80 million

(iii) Description of Articles or Services Offered:
Two Gulfstream IV-SP aircraft, installation of avionics/electronics equipment, two spare engines, special test and support equipment, spare and repair parts, the modification/upgrade of support equipment in-country, personnel training and training equipment, publications and technical data, maintenance of repairable material, U.S. Government and contractor engineering and logistics services, aircraft ferry services, and other related elements of program support.

(iv) Military Department: Air Force (STQ)

(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:
None

(vii) Date Report Delivered to Congress: 16 SEP 1996

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

POLICY JUSTIFICATION

Egypt - Gulfstream IV-SP Aircraft

The Government of Egypt has requested the purchase of two Gulfstream IV-SP aircraft, installation of avionics/electronics equipment, two spare engines, special test and support equipment, spare and repair parts, the modification/upgrade of support equipment in-country, personnel training and training equipment, publications and technical data, maintenance of repairable material, U.S. Government and contractor engineering and logistics services, aircraft ferry services, and other related elements of program support. The estimated cost is $80 million ($10 million from Egyptian National Funds for VIP package and $70 million from foreign military financing (FMF) for the basic Gulfstream aircraft program).

This 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.

Egypt will use these aircraft to augment and enhance its existing airlift capability, including the movement of its National Command Authority. Egypt currently operates four Gulfstream aircraft and will have no difficulty absorbing these additional aircraft.

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

The prime contractor will be the Gulfstream Aerospace Corporation, Savannah, Georgia. There are no offset agreements proposed to be entered into in connection with this potential sale.

Implementation of this sale will not require the assignment of any additional U.S. Government personnel to Egypt; however, it is estimated that two contractor representatives will be required in-country following delivery and initial operations of the new aircraft.

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

[FR Doc. 96–24637 Filed 9–25–96; 8:45 am]
BILLING CODE 5000–04–C