[Transmittal No. 96–67]

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 P.L. 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 96–67, with attached transmittal and policy justification pages.

Dated: September 12, 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

05 SEP 1996

In reply refer to:
I-04232/96ct

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. 96-67 and under separate cover the classified annex thereto. This Transmittal concerns 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 $350 million. Soon after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

Thomas G. Rhame

Thomas G. Rhame
Lieutenant General, USA
Director

Attachments

Separate Cover:
Classified Annex

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. 96-67

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

(i) Prospective Purchaser: Saudi Arabia

(ii) Total Estimated Value:

Major Defense Equipment*	$ 0 million
Other	$ 350 million
TOTAL	$ 350 million

(iii) Description of Articles or Services Offered:
The design, development, integration, ground and flight testing of hardware and software for a Tactical Airborne Surveillance System (TASS); installation of the TASS in a RSAF E-6 aircraft; a KE-3B aircraft, with an on-board surveillance system operational in-country, is to be modified and upgraded to the TASS configuration during scheduled Programmed Depot Maintenance (PDM) in 1999; PDM for E-6 and KE-3B aircraft scheduled to be performed in CONUS; modification of existing in-country ground station(s), TASS equipment trainer, mission scenario generator (simulator), and maintenance test equipment; spare and repair parts, support and test equipment, personnel training and training equipment, publications and technical documentation including flight/operator/maintenance manuals, modification/construction of facilities, U.S. Government and contractor engineering and support services and other related elements of logistics necessary to provide full program support.

(iv) Military Department: Air Force (YBW Amendment #3)

(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:
See Annex under separate cover.

(vii) Date Report Delivered to Congress: 05 SEP 1996

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

POLICY JUSTIFICATION

Saudi Arabia - Tactical Reconnaissance Aircraft

The Government of Saudi Arabia has requested the purchase of services related to the design, development, integration, ground and flight testing of hardware and software for a Tactical Airborne Surveillance System (TASS); installation of the TASS in a RSAF E-6 aircraft; a KE-3B aircraft, with an on-board surveillance system operational in-country, is to be modified and upgraded to the TASS configuration during scheduled Programmed Depot Maintenance (PDM) in 1999; PDM for E-6 and KE-3B aircraft scheduled to be performed in CONUS; modification of existing in-country ground station(s), TASS equipment trainer, mission scenario generator (simulator), and maintenance test equipment; spare and repair parts, support and test equipment, personnel training and training equipment, publications and technical documentation including flight/operator/maintenance manuals, modification/construction of facilities, U.S. Government and contractor engineering and support services and other related elements of logistics necessary to provide full program support. The estimated cost is $350 million.

This sale is consistent with the stated U.S. policy of assisting friendly nations to provide for their own defense by allowing the transfer of reasonable amounts of defense articles and services.

This purchase will enable Saudi Arabia to enhance and strengthen its defensive capabilities as well as increase interoperability with U.S. forces. Saudi Arabia will have no difficulty absorbing this equipment into its armed forces.

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

The prime contractor will be E-Systems (a Raytheon Co.), Greenville, Texas. There are no offset agreements proposed in connection with this potential sale.

Implementation of this sale will require the assignment of U.S. Government personnel and contractor representatives to Saudi Arabia. After the program is implemented and following consultations between the USAF/U.S. contractors and RSAF program representatives, specific numbers and types of qualified support personnel will be identified.

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

[FR Doc. 96–23747 Filed 9–16–96; 8:45 am]
BILLING CODE 5000–04–C