DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 97–05]

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 Pub.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 97–05, with attached transmittal, policy justification and sensitivity of technology pages.

Dated: December 10, 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

02 DEC 1996

In reply refer to:
I-04304/96ct

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. 97-05, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance (LOA) to Korea for defense articles and services estimated to cost $250 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

Thomas G. Rhame
Lieutenant General, USA
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. 97-05

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

(i) Prospective Purchaser: Korea

(ii) Total Estimated Value:

Major Defense Equipment*	$215 million
Other	$ 35 million
TOTAL	$250 million

(iii) Description of Articles or Services Offered:
One hundred sixteen AGM-130 and 116 AGM-142 air-to-ground missiles (including training missiles), containers, spare and repair parts, special test sets and support equipment, modification of 30 F-4E aircraft, integration of the missile systems with the F-4E aircraft, aircraft ground and flight testing with new missile systems, mission planning software, personnel training and training equipment including three missile system simulators, publications and technical data, U.S. Government and contractor technical and logistics personnel services and other related elements of program support.

(iv) Military Department: Air Force (YGR and YGS)

(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 attached.

(vii) Date Report Delivered to Congress: 02 DEC 1996

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

POLICY JUSTIFICATION

Korea - AGM-130 and AGM-142 Air-to-Ground Missiles

The Government of Korea has requested the purchase of 116 AGM-130 and 116 AGM-142 air-to-ground missiles (including training missiles), containers, spare and repair parts, special test sets and support equipment, modification of 30 F-4E aircraft, integration of the missile systems with the F-4E aircraft, aircraft ground and flight testing with new missile systems, mission planning software, personnel training and training equipment including three missile system simulators, publications and technical data, U.S. Government and contractor technical and logistics personnel services and other related elements of program support. The estimated cost is $250 million.

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 Pacific region.

This is the first procurement by Korea of these missiles which will be used to enhance its F-4E aircraft air-to-ground attack capability. Korea will have no difficulty absorbing these missiles into its armed forces.

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

The principal contractors will be Rockwell International, Tactical Systems Division, Duluth, Georgia - AGM-130 missiles and Lockheed Martin Corporation, Orlando, Florida - AGM-142 missiles. There are no offset agreements proposed to be entered into in connection with this potential sale.

Implementation of this program will not require the assignment of any U.S. Government personnel in-country but will however require approximately 40 contractor representatives to provide in-country technical support for a period of up to 18 months.

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

Transmittal No. 97-05

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

Annex
Item No. vi

(vi) Sensitivity of Technology:

1. The AGM-142 stand-off air-to-ground missile hardware and software contain the following sensitive technologies which are classified Confidential: missile seeker hardware, range capability, data link capabilities and launch software (guidance algorithms).

2. The AGM-130 stand-off air-to-ground missile hardware and software contain the following sensitive technologies which are classified Confidential: missile seeker hardware, range capability and data link capabilities.

3. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software involved in this sale, the information could be used to develop countermeasures or systems which could reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.

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

[FR Doc. 96–31755 Filed 12–13–96; 8:45 am]
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