DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 97–19]

36(b)(1) Arms Sales 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)(1) 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: Ms. J. Hurd, DSAA/COMPT/CPD, (703) 604–6575.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 97–19, with attached transmittal, policy justification, and sensitivity of technology pages.

Dated: June 17, 1997.

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

11 JUN 1997

In reply refer to:
I-04521/97

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. 97-19, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to Thailand for defense articles and services estimated to cost $100 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. Diehl McKalip
Acting Director

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

Attachments

Transmittal No. 97-19

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

(i) Prospective Purchaser: Thailand

(ii) Total Estimated Value:

Major Defense Equipment*	$ 30 million
Other	$ 70 million
TOTAL	$100 million

(iii) Description of Articles or Services Offered:
One hundred seven excess M60A3 tanks with 105mm guns and Tank Thermal Sight (TTS) capability, overhaul and upgrade of the excess M60A3 tanks with TTS in CONUS, 107 .50 caliber and 7.62mm machine guns, engines with containers, radios, support equipment, publications, personnel training and training equipment, U.S. Government Quality Assurance Teams, spare and repair parts and other related program elements to ensure long-term weapon system supportability.

(iv) Military Department: Army (WDI)

(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: 11 JUN 1997

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

POLICY JUSTIFICATION

Thailand - M60A3 Tanks

The Government of Thailand has requested the purchase of 107 excess M60A3 tanks with 105mm guns and Tank Thermal Sight (TTS) capability, overhaul and upgrade of the excess M60A3 tanks with TTS in CONUS, 107 .50 caliber and 7.62mm machine guns, engines with containers, radios, support equipment, publications, personnel training and training equipment, U.S. Government Quality Assurance Teams, spare and repair parts and other related program elements to ensure long-term weapon system supportability. The estimated cost is $100 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 Southeast Asia.

In addition to the 253 tanks previously procured from the U.S. Government (125 M60A3, 53 M60A1, and 75 M48A5), these M60A3 tanks, which will come from the U.S. Army excess inventory, will enhance Thailand's force modernization efforts and substantially improve the capability of its ground forces. Thailand will have no difficulty absorbing these tanks into its armed forces.

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

There are no offset agreements proposed to be entered into in connection with this potential sale.

Several Quality Assurance Teams will be required in Thailand for short periods during the incremental delivery of the tanks.

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

Transmittal No. 97-19

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 Tank Thermal Sight hardware is not classified. The target acquisition range is classified Confidential because this information would enable a potential adversary to develop countermeasures and tactics. The vulnerability to countermeasures and counter-countermeasures are classified Secret.

2. Data relating to the specialized and highly sensitive engineering design information and manufacturing specifications, which if compromised could assist a potential adversary in the production of thermal devices, are not part of the sale.

3. 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. 97–16257 Filed 6–20–97; 8:45 am]
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