DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 97–22]

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 97–22, with attached transmittal and policy justification.

Dated July 16, 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

8 JUL 1997

In reply refer to:
I-04704/97

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. 97-22 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 Bahrain for defense articles and services estimated to cost $303 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
Lieutenant General, USA
Director

Attachments

Separate Cover:
Classified Annex

Transmittal No. 97-22

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

(i) Prospective Purchaser: Bahrain

(ii) Total Estimated Value:

	F-16A/B Acft	F-16C/D Acft
Major Defense Equipment*	$250 million	$270 million
Other	$ 53 million	$ 33 million
TOTAL	$303 million	$303 million

(iii) Description of Articles or Services Offered:
Twenty F-16A/B aircraft with Mid-Life Update (MLU) modification kits, Falcon-Up structural modification or 10 F-16C/D aircraft, and the Pratt-Whitney 220E engine upgrade or General Electronic 110 engines, installation, spare and repair parts, special test sets and support equipment, publications and technical documentation, training, training equipment and training devices, technical assistance, technical orders, system drawings, U.S. Government and contractor engineering and logistics services and other logistic elements necessary for full program support.

(iv) Military Department: Air Force (SGG)

(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: 8 JUL 1997

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

POLICY JUSTIFICATION

Bahrain - F-16A/B or F-16C/D Aircraft

The Government of Bahrain has requested the purchase of 20 F-16A/B aircraft with Mid-Life Update (MLU) modification kits, Falcon-Up structural modification or 10 F-16C/D aircraft, and the Pratt-Whitney 220E engine upgrade or General Electronic 110 engines, installation, spare and repair parts, special test sets and support equipment, publications and technical documentation, training, training equipment and training devices, technical assistance, technical orders, system drawings, U.S. Government and contractor engineering and logistics services and other logistic elements necessary for full program support. The estimated cost is $303 million.

The MLU production phase is the continuation of the development program notified to the Congress in August 1990. The MLU is an avionics retrofit program for F-16A/B aircraft consisting of a Central Core Computer, Block 50 cockpit design, Digital Terrain System, Global Positioning System, APG-66(V2) radar upgrade, integrated data modem, microwave landing system and night capabilities provisions, and an Advanced Identification Friend or Foe (AIFF).

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

These F-16A/B or F-16C/D aircraft will be used to increase Bahrain's small fighter inventory and eventually replace their aging fleet of F-5 aircraft, as well as enhance its inter-operability with U.S. forces. Bahrain, which already has F-16 Block 40 aircraft in its inventory, will have no difficulty absorbing these aircraft.

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

The prime contractor will be Lockheed Martin Tactical Aircraft Systems, Fort Worth, Texas. There are no offset agreements proposed to be entered into in connection with this potential sale.

Implementation of this sale will require the assignment of up to 15 additional U.S. Government personnel and contractor representatives to travel periodically over the next three years to Bahrain.

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

[FR Doc. 97–19183 Filed 7–21–97; 8:45 am]
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