The prime contractor will be Raytheon, Lexington, Massachusetts. One or more proposed offset agreements may be related to this proposed sale.

Training of initial pilot cadre will be provided by a unit of the Arizona Air National Guard in Tucson, Arizona, and then by a dedicated U.S. Air Force unit, using the UAE's own aircraft, pilots and contractor maintenance personnel. After a training base is established in the U.S., the number of U.S. Government personnel and contractor representatives required in-country to support the program will be determined in joint negotiations as the program proceeds through the development, production and equipment installation phases.

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

[FR Doc. 98–26514 Filed 10–2–98; 8:45 am]

BILLING CODE 5000–04–C

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 98–47]

36(b)(1) Arms Sales Notification

AGENCY: Defense Security Assistance Agency, DOD.

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 Pub. L. 104–164 dated July 21 1996.

FOR FURTHER INFORMATION CONTACT: Ms. J. Hurd, DSAA/COMPT/RM, (703) 604–6575

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 98–47, with attached transmittal, policy justification, sensitivity of technology, and Section 620C(b) of the Foreign Assistance Act of 1961.

Dated: September 29, 1998.

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

22 SEP 1998

In reply refer to:
I-68538/98

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. 98-47, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance (LOA) to Greece for defense articles and services estimated to cost $61 million. Soon after this letter is delivered to your office, we plan to notify the news media.

You will also find attached a certification as required by Section 620C(d) of the Foreign Assistance Act of 1961, as amended, that this action is consistent with Section 620C(b) of that statute.

Sincerely,

A.R. KELTZ
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. 98-47

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

(i) Prospective Purchaser: Greece

(ii) Total Estimated Value:

Major Defense Equipment*	$ 60 million
Other	$ 1 million
TOTAL	$ 61 million

(iii) Description of Articles or Services Offered:
Two hundred AGM-65G MAVERICK missiles, 200 GBU-24 A/B bombs kits (without warheads), missile launchers, containers, contractor technical services, personnel training and training equipment, spares and repair parts, support equipment, and other related elements of logistics support.

(iv) Military Department: Air Force (SBD, Amendment 7)

(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: 22 SEP 1998

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

POLICY JUSTIFICATION

Greece - AGM-65G MAVERICK Missiles

The Government of Greece has requested a possible sale of 200 AGM-65G MAVERICK missiles, 200 GBU-24 A/B bombs kits (without warheads), missile launchers, containers, contractor technical services, personnel training and training equipment, spares and repair parts, support equipment, and other related elements of logistics support. The estimated cost is $61 million.

This proposed sale will contribute to the foreign policy and national security of the United States by improving the military capabilities of Greece and furthering NATO rationalization, standardization and interoperability.

Greece will use the missiles to enhance their defensive capability and the kits will be used on their BLU-109 bombs. The missiles will be provided in accordance with, and subject to, the limitation on use and transfer provided for under the Arms Export Control Act, as embodied in the terms of sale. This sale will not adversely affect either the military balance in the region or U.S. efforts to encourage a negotiated settlement of the Cyprus question. Greece, which already has MAVERICK missiles in its inventory, will have no difficulty absorbing these additional missiles.

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

The principal contractors will be Hughes Aircraft International Service Company, Tucson, Arizona; Raytheon Company, Bedford, Massachusetts; and Texas Instruments, Sherman, Texas. There are no offset agreements proposed to be entered into in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government personnel or contractor representatives to Greece.

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

Transmittal No. 98-47

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-65G MAVERICK air-to-ground missile has an overall classification of Secret. The Secret aspects of the MAVERICK system are tactics, information revealing its vulnerability to countermeasures, and counter-countermeasures.

2. Sensitive technology is contained in the missile guidance unit and signal processing components. The infrared tracker, signal processing logic, and launch and leave capabilities represent an important technological advantage.

3. The GBU-24 Paveway III is a laser-guided bomb with improved guidance for medium and low altitude employment and terminal impact angle improvements with an overall classification of Secret. The Secret aspects of the Paveway III system are the hardware, penetration performance, tactics, information revealing its vulnerability to countermeasures, and counter-countermeasures.

4. Sensitive technology is contained in the missile guidance unit and signal processing components.

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

6. A determination has been made that Greece 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.

Certification Under Section 620C(d) Of The Foreign Assistance Act of 1961, As Amended

Pursuant to section 620C(d) of the Foreign Assistance Act of 1961, as amended (the Act), Executive Order 12163 (sec. 1-201(a)(13)) and the Secretary of State's memorandum of December 15, 1997, I hereby certify that the furnishing to Greece of 200 AGM-65D MAVERICK missiles, 200 GBU-24 A/B Paveway III bomb kits (without warheads), missile launchers, containers, technical services, training, training equipment, spares, support equipment, and related logistics, at an estimated cost of $61 million, is consistent with the principles contained in section 620C(b) of the Act.

This certification will be made part of the notification to the Congress under section 36(b) of the Arms Export Control Act regarding the proposed sale of the above-named articles and services, and is based on the justification accompanying said notification, of which said justification constitutes a full explanation.

John D. Holum
Acting Under Secretary
for Arms Control and
International Security
Affairs / Director, U.S. Arms
Control and Disarmament Agency

[FR Doc. 98–26515 Filed 10–2–98; 8:45 am]
BILLING CODE 5000–04–C