POLICY JUSTIFICATION

Belgium – Multi-Functional Information Distribution System Terminals

The Government of Belgium has requested a possible sale of 90 AN/USQ-140(V) Multi-Functional Information Distribution System Terminals, modification kits, personnel training and training equipment, data link testing, support and test equipment, software support, publications and technical data, spare and repair parts, U.S. Government and contractor technical and logistics assistance and other related elements of logistics support. The estimated cost is $50 million.

This proposed sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of Belgium and further weapon system standardization and interoperability with U.S. forces.

Belgium needs these additional Multi-Functional Information Distribution System Terminals to implement the Link-16 capability in their F-16 aircraft.

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

The principal contractors will be: Rockwell Collins/Data Link Solutions of Cedar Rapids, Iowa and VIASAT Incorporation of Carlsbad, California. There are no offset agreements proposed in connection with this potential sale.

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

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

[FR Doc. 02–23422 Filed 9–13–02; 8:45 am]
BILLING CODE 5001–08–C

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 02–56]

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

ACTION: Notice.

SUMMARY: 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 Public Law 104–164 dated 21 July 1996.

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

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 02–56 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: September 9, 2002.

Patricia L. Toppings,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5001–08–M

DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

4 SEP 2002
In reply refer to:
I-02/010112

The Honorable J. Dennis Hastert
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 (AECA), as amended, we are forwarding herewith Transmittal No. 02-56 and under separate cover the classified offset certificate thereto. This Transmittal concerns the Department of the Navy's proposed Letter(s) of Offer and Acceptance (LOA) to Malaysia for defense articles and services estimated to cost $1,483 million. Soon after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Reporting of Offset Agreements in accordance with Section 36(b)(1)(C) of the Arms Export Control Act (AECA), as amended, requires a description of any offset agreement with respect to this proposed sale. Section 36(g) of the AECA, as amended, provides that reported information related to offset agreements be treated as confidential information in accordance with section 12(c) of the Export Administration Act of 1979 (50 U.S.C. App. 2411(c)). Information about offsets for this proposed sale is described in the enclosed confidential attachment.

Sincerely,

TOME H. WALTERS, JR.
LIEUTENANT GENERAL, USAF
DIRECTOR

Attachments

Separate Cover:
Offset certificate

Same ltr to: House Committee on International Relations
Senate Committee on Appropriations
Senate Committee on Foreign Relations
House Committee on Armed Services
Senate Committee on Armed Services
House Committee on Appropriations

Transmittal No. 02-56

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

(i) **Prospective Purchaser:** Malaysia

(ii) **Total Estimated Value:**

Major Defense Equipment*	$ 946 million
Other	$ 437 million
TOTAL	$1,483 million

(iii) **Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:** 18 F/A-18F aircraft with 36 F414-GE-400 aircraft engines, 18 AN/APG-73 Radar Systems, 3 spare F414-GE-400 aircraft engines, 18 AN/ALR-67(V)3 Countermeasure Receiving Sets, 18 AN/ALE-47(B)2 Countermeasure Dispensing Sets, 12 AN/ALQ-214(V)2 Integrated Defensive Electronic Countermeasures, 72 LAU-127B/A Guided Missile Launchers, spare and repair parts, support and test equipment, supply support, U.S. Government and contractor technical and logistics personnel services, publications/technical data, personnel training and training equipment, system software development and other related elements of logistics to ensure complete program support.

(iv) **Military Department:** Navy (SAM)

(v) **Prior Related Cases, if any:** FMS Case SAJ - $619 million – 09Dec93

(vi) **Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid:** none

(vii) **Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold:** See Annex attached

(viii) **Date Report Delivered to Congress:** 4 SEP 2002

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

POLICY JUSTIFICATION

Malaysia – F/A-18F Aircraft

The Government of Malaysia has requested a possible sale of 18 F/A-18F aircraft with 36 F414-GE-400 aircraft engines, 18 AN/APG-73 Radar Systems, 3 spare F414-GE-400 aircraft engines, 18 AN/ALR-67(V)3 Countermeasure Receiving Sets, 18 AN/ALE-47(B)2 Countermeasure Dispensing Sets, 12 AN/ALQ-214(V)2 Integrated Defensive Electronic Countermeasures, 72 LAU-127B/A Guided Missile Launchers, spare and repair parts, support and test equipment, supply support, U.S. Government and contractor technical and logistics personnel services, publications/technical data, personnel training and training equipment, system software development and other related elements of logistics to ensure complete program support. The estimated cost is $1,483 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 economic progress in Southeast Asia.

The proposed sale of F/A-18 aircraft will increase Malaysia's tactical aviation capabilities. An increase in capability will be accrued primarily due to the larger number of aircraft and the larger range and endurance of the F/A-18F. The commonality of this system with those in the U.S. Navy will yield lower costs for the U.S. in procurement of the F/A-18E/F and provide potential key support assets in South East Asia.

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

The principal contractors will be: The Boeing Company in St. Louis, Missouri; North Grumman in El Segundo, California; General Electric of Lynn, Massachusetts; and Raytheon Company of El Segundo, California. One or more proposed offset agreements may be related to this proposed sale.

Implementation of this sale will require approximately 8 contractor representatives to provide technical and logistics support in Malaysia for two years. U.S. Government and contractor representatives will also participate in program management and technical reviews for one-week intervals twice semi-annually.

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

Transmittal No. 02-56

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

Annex
Item No. vii

(vii) Sensitivity of Technology:

1. The F/A-18F Weapon System is Secret. Reduced Radar Cross Section (RCS) features have been incorporated in F/A-18C/D Hornets since 1989. The F/A-18F includes additional new designs, resulting in a significant reduction in RCS. The F/A-18F incorporates platform alignment, coated windshields and canopy, compatible antennas, radar-absorbing material, gap and mismatch control, shaped inlets, and engine shielding devices to RRC. The smaller RCS reduces enemy detection range and significantly increases the effectiveness of the F/A-18F's electronic countermeasures systems.

2. Classified/sensitive elements of the F/A-18F weapon system include the following hardware with accessories, components and associated software:

a. The AN/APG-73 Radar System is classified Secret. The radar provides the F/A-18 aircraft with all-weather, multi-mission capability for performing air-to-air and air-to-ground targeting and attack. Air-to-air modes provide the capability for all-aspect target detection, long-range search and track, automatic target acquisition, and tracking of multiple targets. Air-to-surface attack modes provide high-resolution ground mapping navigation, weapon delivery, and sensor cueing. The system component hardware (Antenna, Transmitter, Radar Data Processor, and Power Supply) is Unclassified. The Receiver-Exciter hardware is Confidential. The radar Operational Flight Program (OFP) is classified Secret. Documentation provided with the AN/APG-73 radar set is classified Secret.

b. The AN/ALR-67(V)3 Countermeasures Receiving Set is classified Confidential. The AN/ALR-67(V)3 provides the F/A-18F aircrew with radar threat warnings by detecting and evaluating friendly and hostile radar frequency threat emitters and providing identification and status information about the emitters to on-board Electronic Warfare (EW) equipment and the aircrew. The OFP and User Data Files (UDF) used in the AN/ALR-67(V)3 are classified Secret. Those software programs contain threat parametric data used to identify and establish priority of detected radar emitters.

c. The AN/ALE-47 Countermeasure Dispensing Set is classified Secret. The AN/ALE-47 is a threat-adaptive dispensing system that dispenses chaff, flares, and expendable jammers for self-protection against airborne and ground based Radio Frequency and Infra-Red threats. The ALE-47 Programmer is classified Confidential. The OFP and Mission Data Files used in the AN/ALE-47 are classified Secret. Those software programs contain algorithms used to calculate the best defense against specific threats.

d. The AN/ALQ-214 Radio Frequency Countermeasures (RFCM) is classified Secret. The RFCM is an internally mounted active Defensive Electronic Countermeasures system designed to protect tactical aircraft against modern pulse, pulse doppler, and continuous wave radar guided weapons. The Digital RF Memory (DFRM) within the RFCM is classified Confidential. The DFRM allows the RFCM to perform countermeasures techniques against pulse doppler and continuous wave threats. The OFP and UDF used in the RFCM are classified Secret. Those software programs control the RFCM hardware, allowing it to generate RF signals designed to defeat the threats.

e. The ASN-163 Miniature Airborne Global Positioning System Receiver (MAGR) 2000 is classified Secret in the Precise Positioning Service (PPS) version. The MAGR 2000 is a ten channel GPS receiver capable of tracking up to ten satellites simultaneously with an accuracy as good as 16 meter spherical error probability with a 0.1 meter second velocity accuracy. PPS provides a more accurate GPS signal than standard GPS.

f. The APX-111 Combined Interrogator/Transponder (CIT) with the Conformal Antenna System (CAS) is classified Secret. The CIT is a complete MARK-XII identification system compatible with Identification Friend or Foe (IFF) Modes 1, 2, 3/A, C and 4 (secure). The system's secure mode capabilities are provided by a single slide-in module that can be customized to the unique cryptographic functions for a specific country. As a transponder, the CIT is capable of replying to interrogation modes 1, 2, 3/A, C (altitude) and secure mode 4.

3. 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.

4. A determination has been made that Malaysia 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. 02–23423 Filed 9–13–02; 8:45 am]
BILLING CODE 5001–08–C

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 02–57]

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation 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 Public Law 104–164 dated 21 July 1996.

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

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 02–57 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: September 9, 2002.

Patricia L. Toppings,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5001–08–M