POLICY JUSTIFICATION

Korea – Cooperative Logistics Supply Support Arrangement

The Government of Korea has requested a possible sale for a Foreign Military Sales Order (FMSO) to provide funds for blanket order requisitions FMSO II, under the Cooperative Logistics Supply Support Agreement (CLSSA), for spare parts in support of the Air Force fleet of F-15K, F-16C/D, F-4, F-5, A-37, T-37 and C-130 aircraft, and support vehicles and equipment in the inventory of the Republic of Korea. The estimated cost is $500 million.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a friendly country that has been and continues to be an important force for political stability and economic progress in Northeast Asia.

The uninterrupted supply of spare parts will allow Korea to keep its Air Force fleet at the highest state of readiness. Korea requires the sustainment support to maintain its current defensive capability and will have no difficulty absorbing this equipment into its armed forces.

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

Procurement of these items will be from the many contractors providing similar items to U.S. forces. There are no known 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 Korea.

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

[FR Doc. 06–9745 Filed 12–15–06; 8:45 am]
BILLING CODE 5001–06–C

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 07–08]

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. Brenda English, DSCA/DBO/CFM, (703) 601–3740.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 07–08 with attached transmittal, policy justification, sensitivity of technology, and section 620C(d).

Dated: December 11, 2006.

C.R. Choate,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5001–06–M

DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

DEC 0 8 2006

In reply refer to:
I-06/015595

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, as amended, we are forwarding herewith Transmittal No. 07-08, concerning the Departments of the Air Force's and Navy's proposed Letters(s) of Offer and Acceptance to Greece for defense articles and services estimated to cost $104 million. Soon after this letter is delivered to your office, we plan to notify the news media.

You will also find attached a certification required by subsection 620C(d) of the Foreign Assistance Act of 1961, as amended, that this action is consistent with the principles set forth in subsection 620C(b) of that Act as codified in section 2373 of title 22, United States Code.

Sincerely,

JEFFREY B. KOHLER
LIEUTENANT GENERAL, USA
DIRECTOR

Enclosures:
1. **Transmittal**
2. **Policy Justification**
3. **Sensitivity of Technology**
4. **Section 620C(d)**

Same ltr to:

House	Senate
Committee on International Relations	Committee on Foreign Relations
Committee on Armed Services	Committee on Armed Services
Committee on Appropriations	Committee on Appropriations

Transmittal No. 07-08

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: Greece

(ii) Total Estimated Value:

Major Defense Equipment*	$ 53 million
Other	$ 51 million
TOTAL	$104 million

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:

Major Defense Equipment (MDE)

40 AGM-154-C Joint Standoff Weapons (JSOW);
100 GBU-31 Joint Direct Attack Munition (JDAM) Kits;
200 CBU-103 Wind Corrected Munitions Dispenser (WCMD) with FZU-39 Proximity Mechanisms;
100 Enhanced Paveway II with BLU-109; and
136 Enhanced Paveway II with MK-84 Warhead.

Non-MDE

Also included are JSOW training missiles, BRU-57/A Smart Rack Launchers, containers, system integration and testing, sensors, missile modifications, fuzes, software development/integration, test sets and support equipment, spare and repair parts, publications and technical data, maintenance, personnel training and training equipment, U.S. Government and contractor representatives, contractor engineering and technical support services, and other related elements of logistics support.

(iv) Military Department: Air Force (YDU and YDV) and Navy (ANQ)

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

(v) Prior Related Cases, if any:
FMS case SNY - $2 billion - 13Dec05

(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: DEC 0 8 2006

POLICY JUSTIFICATION

Greece – F-16C/D Munitions

The Government of Greece has requested a possible sale of

Major Defense Equipment (MDE)

40 AGM-154-C Joint Standoff Weapons (JSOW);
100 GBU-31 Joint Direct Attack Munitions (JDAM) Kits;
200 CBU-103 Wind Corrected Munitions Dispenser (WCMD) with FZU-39 Proximity Mechanisms;
100 Enhanced Paveway II with BLU-109; and
136 Enhanced Paveway II with MK-84 Warhead.

Also included are JSOW training missiles, BRU-57/A Smart Rack Launchers, containers, system integration and testing, sensors, missile modifications, fuzes, software development/integration, test sets and support equipment, spare and repair parts, publications and technical data, maintenance, personnel training and training equipment, U.S. Government and contractor representatives, contractor engineering and technical support services, and other related elements of logistics support. The estimated cost is $104 million.

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

The Government of Greece needs these capabilities for mutual defense, regional security, modernization, and interoperability with the U.S. and other North Atlantic Treaty Organization (NATO) countries. The modernization of Greece's F-16 fleet will increase the effectiveness of its contribution and capabilities to future NATO, coalition, and anti-terrorism operations. This will also enhance Greece's ability to patrol its extensive coastline and borders against future threats, and will contribute to the War on Terrorism and to NATO operations. This modernization will be provided in accordance with, and subject to the limitation on use and transfer provided under the Arms Export Control Act, as amended, and as embodied in the Letter of Offer and Acceptance.

The proposed sale of the weapons will bring overall standoff performance up to existing regional baselines. Greece will have no difficulty absorbing these weapons into its armed forces.

This proposed 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.

The principal contractors will be:

Lockheed Martin Missiles and Fire Control	Orlando, Florida
Raytheon Missile Systems	Tucson, Arizona
Boeing Integrated Defense Systems	Arlington, Virginia

Although generally the purchaser requires offsets, at this time there are no known offset agreements proposed in connection with this potential sale.

The number of U.S. Government personnel and contractor representatives required in Greece to support the program will be determined in joint negotiations.

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

Transmittal No. 07-08

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

Classified Annex
Item No. vii

(vii) Sensitivity of Technology:

1. The proposed F-16 weapons for the most part are Unclassified. The highest level of classified information required for release for training, operation and maintenance is Secret. The highest level that could be revealed through reverse engineering or testing of the end item, including weapons, is Secret.

2. The Greek F-16 weapons will include the following classified or sensitive components and weapons:

a. The Enhanced Paveway II modification improves the existing Paveway II Laser Guided Bomb (LGB) by adding an additional Global Positioning System (GPS) guidance unit to the current LGB Control system. The nomenclature for the 2000 lb variant (MK-84 or BLU-109) of this weapon is the EGBU-10. The EGBU allows the user to employ the weapon as a traditional LGB, using end game terminal laser guidance for precision strike during favorable weather conditions, day or night. With the added Global Positioning System (GPS) feature, the weapon can be employed during all weather conditions where laser employment may not be feasible for terminal guidance. An additional benefit to the GPS guidance is increased range (comparable to similar sized JDAM variants). The basic Paveway II is classified Confidential (Pulse Interval Modulation and doublet coding are not releasable); technical data for the EGBU is classified up to Secret (similar to JDAM).

b. The AGM-154C Joint Standoff Weapon (JSOW) is a low observable, 1000-lb. class, Global Positioning System/Inertial Navigation System guided, family of air-to-ground glide weapons. JSOW consists of a common airframe and avionics that provide a modular payload assembly. JSOW provides combat forces with all-weather, day/night, multiple-kills-per-pass, launch-and-leave, and standoff capabilities. JSOW-C contains a 500- lb unitary warhead. The JSOW All-Up Round (AUR) is Unclassified, major components and subsystems are

classified up to Secret; and technical data and other documentation are up to Secret.

c. The CBU-103 is a wide area smart munition designed to defeat fixed and moving, lightly armored land combat vehicles, personnel, and soft targets. CBU-103 consists of a Tactical Munition Dispenser (TMD) and 202 BLU-97 submunitions. These combined effects submunitions are multi-mode to allow use against light armor in a shaped-charge mode and against soft targets, such as wood structures or personnel in a blast/fragmentation mode. The CBU-103 incorporates the Wind Corrected Munition Dispenser (WCMD) tail kit. The tail kit inertially steers the munition from a known release point to precise target coordinates while compensating for launch transients, winds aloft, surface winds, and adverse weather. The CBU-103 AUR is Unclassified; major components and subsystems are classified up to Confidential; technical data/documentation are classified up to Secret.

d. The Joint Direct Attack Munition (JDAM) is a guidance tail kit that converts unguided free-fall bombs into accurate, adverse weather "smart" munitions. With the addition of a new tail section that contains an inertial navigational system and a global positioning system guidance control unit, JDAM improves the accuracy of unguided, general-purpose bombs in any weather condition. JDAM can be launched from very low to very high altitudes in a dive, toss and loft, or in straight and level flight with an on-axis or off-axis delivery. JDAM enables multiple weapons to be directed against single or multiple targets on a single pass. The JDAM AUR and all of its components are unclassified, technical data for JDAM is classified up to Secret.

3. If hardware or publications for any or all of the above items are lost to a technologically savvy or competent adversary, the information could provide the adversary insight into many critical U.S. capabilities. Information gained from exploitation of the hardware, publications and software could be used to develop countermeasures (electronic, infrared, or other types) as well as offensive and defensive counter-tactics. Information gained would also allow an adversary to exploit known vulnerabilities during combat. Additionally, material exploitation of these items would give engineering, manufacturing, and integration insight to foreign industrial competitors.

CERTIFICATION PURSUANT TO § 620C(d) OF THE FOREIGN ASSISTANCE ACT OF 1961, AS AMENDED

Pursuant to § 620C(d) of the Foreign Assistance Act of 1961, as amended (the Act), Executive Order 12163 and State Department Delegation of Authority No. 145, I hereby certify that the sale of defense articles and defense services, to include for F-16C/D munitions and related elements of logistical support to the Government of Greece is consistent with the principles set forth in § 620C(b) of the Act.

This certification will be made part of the notification to Congress in accordance with § 36(b) of the Arms Export Control Act, as amended, 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.

Robert G. Joseph
Under Secretary of State
for Arms Control and
International Security

[FR Doc. 06–9746 Filed 12–15–06; 8:45 am]
BILLING CODE 5001–06–C

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 07–09]

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. Brenda English, DSCA/DBO/CFM, (703) 601–3740.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 07–09 with attached transmittal, policy justification.

Dated: December 11, 2006.

C.R. Choate,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5001–06–M