

DEPARTMENT OF DEFENSE**Office of Secretary**

[Transmittal No. 98-08]

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 Public Law 104-164 dated 21 July 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 98-08, with attached transmittal, policy justification, Section 620C(d) of the Foreign Assistance Act of 1961, and sensitivity of technology pages.

Dated: November 20, 1997.

L.M. Bynum,

Alternative OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5000-04-M



DEFENSE SECURITY ASSISTANCE AGENCY

WASHINGTON, DC 20301-2800

09 NOV 1997

In reply refer to:
I-52381/97

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. 98-08, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to Greece for defense articles and services estimated to cost \$376 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 handwritten signature in black ink, appearing to read "M S Davison".

MICHAEL S. DAVISON, JR.
LIEUTENANT GENERAL, USA
DIRECTOR

Attachments

Transmittal No. 98-08

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

- (i) Prospective Purchaser: Greece
- (ii) Total Estimated Value:
- | | |
|--------------------------|----------------------|
| Major Defense Equipment* | \$296 million |
| Other | <u>\$ 80 million</u> |
| TOTAL | <u>\$376 million</u> |
- (iii) Description of Articles or Services Offered:
Seven CH-47D CHINOOK helicopters with 28 M60 and eight M2 machine guns, chaff, radar warning receiver, three spare turbine engines, ammunition, spare and repair parts, support equipment, publications and technical data, communications equipment, maintenance, personnel training and training equipment, U.S. Government Quality Assurance Team, field service representatives, contractor engineering and technical support services, preparation of aircraft for shipment, and other related elements of logistics support.
- (iv) Military Department: Army (JBK and XHE)
- (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: 09 NOV 1997

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

POLICY JUSTIFICATIONGreece - CH-47D CHINOOK Helicopters

The Government of Greece has requested a possible sale of seven CH-47D CHINOOK helicopters with 28 M60 and eight M2 machine guns, chaff, radar warning receiver, three spare turbine engines, ammunition, spare and repair parts, support equipment, publications and technical data, communications equipment, maintenance, personnel training and training equipment, U.S. Government Quality Assurance Team, field service representatives, contractor engineering and technical support services, preparation of aircraft for shipment, and other related elements of logistics support. The estimated cost is \$376 million.

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

These helicopters will provide the Greek armed forces an improved capability to transport personnel and cargo for both military and humanitarian assistance purposes. They will be provided to Greece in accordance with and subject to the limitations on use and transfer of the Arms Export Control Act, as embodied in the terms of sale. 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 Boeing Defense and Space Group, Philadelphia, and Allied Signal Aerospace Incorporated, Torrance, California. One or more proposed offset agreements may be related to this proposed sale.

Implementation of this proposed sale will require the assignment of a Quality Assurance Team for two weeks to support delivery of the helicopters. Two contractor representatives will be required for one year and may remain an additional year.

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

THE SECRETARY OF STATE
WASHINGTON

November 9, 1997

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 State Department Delegation of Authority No. 145, (sec. 1(a)(1) and 4(d)), I hereby certify that the furnishing to Greece of CHINOOK helicopters and program support at an estimated cost of \$376 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.



Madeleine K. Albright