

Dated: July 21, 1999.

Patricia L. Toppings,

*Alternate OSD Federal Register Liaison
Officer, Department of Defense.*

[FR Doc. 99-19183 Filed 7-27-99; 8:45 am]

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DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 99-22]

36(b)(1) Arms Sales Notification

AGENCY: Defense Security Cooperation
Agency, Department of Defense.

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 99-22, with attached transmittal, policy

justification, and Sensitivity of Technology.

Dated: July 22, 1999.

Patricia L. Toppings,

*Alternate OSD Federal Register Liaison
Officer, Department of Defense.*

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DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

12 JUL 1999

In reply refer to:
I-99/07937

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, we are forwarding herewith Transmittal No. 99-22, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to Egypt for defense articles and services estimated to cost \$50 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

A handwritten signature in black ink, appearing to read "MS Davison".

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

Attachments

Transmittal No. 99-22**Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act**

- (i) **Prospective Purchaser:** Egypt
- (ii) **Total Estimated Value:**
Major Defense Equipment* \$ 28 million
Other \$ 22 million
TOTAL \$ 50 million
- (iii) **Description of Articles or Services Offered:** Six AN/TPQ-36(V)7
FIREFINDER radar sets, 16 AN/VRC-90E SINCGAR radio systems, six
commercial M1097A2 HMMWV trucks, a U.S. Government Quality
Assurance Team, support and test equipment, spare and repair parts,
publications and technical data, personnel training and training equipment,
technical assistance, U.S. Government and contractor technical and logistics
personnel services and other related elements of program support.
- (iv) **Military Department:** Army (USN)
- (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:** 12 JUL 1999

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

POLICY JUSTIFICATION

Egypt - AN/TPQ-36(V)7 FIREFINDER Radar Sets

The Government of Egypt has requested a possible sale of six AN/TPQ-36(V)7 FIREFINDER radar sets, 16 AN/VRC-90E SINCGAR radio systems, six commercial M1097A2 HMMWV trucks, a U.S. Government Quality Assurance Team, support and test equipment, spare and repair parts, publications and technical data, personnel training and training equipment, technical assistance, U.S. Government and contractor technical and logistics personnel services and other related elements of program support. The estimated cost is \$50 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 which has been and continues to be an important force for political stability and economic progress in the Middle East.

The proposed sale of the AN/TPQ-36 short range mortar radar will be used in conjunction with their long range, artillery locating, AN/TPQ-37 radar purchased and delivered under a prior FMS case and provides a modest increase in counter-mortar capability. Egypt needs these SINCGARS radio systems to fulfill their strategic commitments for complete communicative interoperability and standardization of equipment and to be able to communicate with their various vehicles and the U.S. forces. Egypt, which already has AN/TPQ-37 radar sets in its inventory, will have no difficulty absorbing these radar sets.

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

The prime contractor will be Raytheon Systems Company, El Segundo, California. 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 Egypt. A Quality Assurance team consisting of four persons will be required in-country for two weeks to assist in de-processing and inspecting the equipment upon delivery.

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

Transmittal No. 99-22

**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 following components of the AN/TPQ-36(V)7 radar contain critical technology: The signal processor unit and related software of the operations control group; the antenna array group, receiver, transmitter, and electronic counter-countermeasures of the antenna transceiver group. Certain operating characteristics of the radar are classified Confidential. The radar system is highly susceptible to the development of countermeasures (CMs) in a short period of time if both the hardware and software were acquired by a potential adversary.

2. A determination has been made that Egypt can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This proposed sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

[FR Doc. 99-19185 Filed 7-27-99; 8:45 am]

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DEPARTMENT OF DEFENSE**Office of the Secretary**

[Transmittal No. 99-23]

36(b)(1) Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense.

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 99-23, with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: July 22, 1999.

Patricia L. Toppings,*Alternate OSD Federal Register Liaison Officer, Department of Defense.*

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