

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 98-18]

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 98-18, with attached transmittal and policy justification pages.

Dated: November 20, 1997.

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

09 NOV 1997

In reply refer to:
I-56706/97

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. 98-18, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance (LOA) to Taipei Economic and Cultural Representative Office (TECRO) in the United States for defense articles and services estimated to cost \$280 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. 98-18

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

- (i) Prospective Purchaser: Taipei Economic and Cultural Representative Office (TECRO) in the United States pursuant to P.L. 96-8
- (ii) Total Estimated Value:
- | | |
|--------------------------|----------------|
| Major Defense Equipment* | \$ 0 million |
| Other | \$ 280 million |
| TOTAL | \$ 280 million |
- (iii) Description of Articles or Services Offered:
The continuation of a pilot training program and logistics support for F-16 aircraft to include flight training, supply and maintenance support, spare and repair parts, support equipment, program management, publications and documentation, personnel training and training equipment, fuel and fueling services, and other related program requirements necessary to sustain a long term CONUS training program.
- (iv) Military Department: Air Force (NHC)
- (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:
none
- (vii) Date Report Delivered to Congress: 0 9 NOV 1997

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

POLICY JUSTIFICATION

Taipei Economic and Cultural Representative Office (TECRO)
in the United States - Pilot Training Program

The Taipei Economic and Cultural Representative Office (TECRO) in the United States has requested a possible sale of services related to the continuation of a pilot training program and logistics support for F-16 aircraft to include flight training, supply and maintenance support, spare and repair parts, support equipment, program management, publications and documentation, personnel training and training equipment, fuel and fueling services, and other related program requirements necessary to sustain a long term CONUS training program. The estimated cost is \$280 million.

This proposed sale is consistent with the United States law and policy as expressed in Public Law 96-8.

The recipient needs these services and equipment in order to continue a long term pilot training program at Luke Air Force Base, Arizona. This program will enable the recipient to develop mission ready and experienced pilots through CONUS training.

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

There are no offset agreements proposed to be entered into in connection with this potential sale.

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

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