

*Number of Respondents:* 31,347.  
*Responses per Respondent:*  
Approximately 7.  
*Annual Responses:* 224,262.  
*Average Burden per Response:* 20 minutes (reporting only); 1.7 hours (including recordkeeping).  
*Annual Burden Hours:* 374,428 (74,333 reporting hours; 300,095 recordkeeping hours).  
*Needs and uses:* This information collection requirement pertains to information used to ensure contractor compliance with restrictions on the acquisition of foreign products imposed by statute or policy to protect the industrial base. Other information is required for compliance with U.S. trade agreements and Memoranda of Understanding, which promote reciprocal trade with U.S. allies, and for inclusion in reports to the Department of Commerce on the Balance of Payments Program.  
*Affected Public:* Business or Other For-Profit.  
*Frequency:* On occasion.  
*Respondent's Obligation:* Required to obtain or retain benefits.  
*OMB Desk Officer:* Mr. Peter N. Weiss.

Written comments and recommendations on the proposed information collection should be sent to Mr. Weiss at the Office of Management and Budget, Desk Officer for DoD, Room 10236, New Executive Office Building, Washington, DC 20503.

DOD Clearance Officer: Mr. Robert Cushing.

Written requests for copies of the information collection proposal should be sent to Mr. Cushing, WHS/DIOR, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302.

Dated: March 12, 1998.

**Patricia L. Toppings,**

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

[FR Doc. 98-6916 Filed 3-17-98; 8:45 am]

BILLING CODE 5000-04-M

## DEPARTMENT OF DEFENSE

### Office of the Secretary

[Transmittal No. 98-27]

### 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 test of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Pub. L. 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 98-27, with attached transmittal, policy justification, and sensitivity of technology pages.

Dated March 12, 1998.

**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

04 MAR 1998

In reply refer to:  
I-61710/98

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. 98-27, concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance (LOA) to the Republic of Korea for defense articles and services estimated to cost \$214 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

A handwritten signature in black ink, reading "MS Davison", is positioned above the typed name.

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

**Attachments** Same ltr to: House Committee on International Relations  
Senate Committee on Appropriations  
Senate Committee on Foreign Relations  
House Committee on National Security  
Senate Committee on Armed Services  
House Committee on Appropriations

## Transmittal No. 98-27

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

- (i) Prospective Purchaser: Republic of Korea
- (ii) Total Estimated Value:
- |                          |                       |
|--------------------------|-----------------------|
| Major Defense Equipment* | \$ 0 million          |
| Other                    | \$ <u>214 million</u> |
| TOTAL                    | \$ 214 million        |
- (iii) Description of Articles or Services Offered:  
Twelve MK 14 weapon direction systems, 12 OT-134 transmitters, U.S. Government and contractor engineering and logistics personnel services, installation and checkout of spares, installation support, personnel training and training equipment, support and test equipment, spare and repair parts, publications and technical documentation, and other related elements of logistics support.
- (iv) Military Department: Navy (LOZ)
- (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: 04 MAR 1998

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

POLICY JUSTIFICATION

Republic of Korea - MK-41 Missile Launcher Sub-Systems, Support Equipment and Training

The Republic of Korea has requested a possible sale of 12 MK 14 Weapon Direction Systems (WDS), 12 OT-134 Continuous Wave Illumination (CWI) Transmitters, U.S. Government and contractor engineering and logistics personnel services, installation and checkout of spares, installation support, personnel training and training equipment, support and test equipment, spare and repair parts, publications and technical documentation, and other related elements of logistics support. The estimated cost is \$214 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 Northeast Asia.

The Republic of Korea intends to use the MK 14 WDS and OT-134 CWI transmitters for STANDARD missile fire control (sends launch signal) and post-launch control (controls missile in-flight). Korea will have no difficulty absorbing this support equipment into its armed forces. These are components of the MK-41 STANDARD missile launcher systems that will potentially be installed on indigenously produced naval vessels.

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

The principal contractors will be Raytheon Electronic Systems, Wayland, Massachusetts, and Tracor Systems Engineering, Silver Spring, Maryland. There are no offset agreements proposed to be entered into in connection with this potential sale.

Implementation of this proposed sale will require the assignment of four U.S. Government personnel and 14 contractor representatives in-country to support the program through the development, production and equipment installation phases. The period of time required to be on-site is approximately 14 months.

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

**Transmittal No. 98-27****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 MK 14 Weapon Direction System (WDS) is classified Secret. The OT-134 Continuous Wave Illumination (CWI) Transmitter is unclassified, but considered sensitive. Technical documentation and publications for testing, operation and maintenance are Confidential.

2.     If a technologically advanced adversary were to obtain knowledge of the specific hardware in this proposed sale, 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.

3.     A determination has been made that the recipient country 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.