

d. The AGM-114L3 HELLFIRE missiles with containers, hardware, and documentation are Unclassified. The Longbow HELLFIRE missile guidance section and the guidance algorithms (source codes) contain classified technical data and design information. This design information is classified Secret and the warhead performance is classified Confidential. Sensitive software algorithms are contained within the system, but the L-3 version contains several software security capabilities. Also, the missile source code is not releasable. This protects the sensitive software information from being compromised. The Longbow seeker contains critical components, but the technical data package will not be released.

e. AN/ALQ-144A(V)3 Infrared Countermeasure Set - an active, continuous operating, omni-directional, electrically fired infrared jammer system designed to confuse or decoy threat IR missile systems, in conjunction with low reflective paint and engine suppressors. Hardware is classified Confidential. Technical manuals for authorized maintenance levels are classified Secret. Reverse engineering and development of counter-countermeasures are concerns if the hardware and releasable technical data were compromised.

2. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software elements, 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 Israel can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

[FR Doc. 00-26174 Filed 10-11-00; 8:45 am]  
BILLING CODE 5001-10-C

#### DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 00-76]

#### 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. 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 00-76 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: October 5, 2000.

**L.M. Bynum,**

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

BILLING CODE 5001-10-M



DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

27 SEP 2000

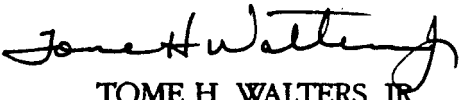
In reply refer to:  
I-00/011149

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. 00-76, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance (LOA) to Italy for defense articles and services estimated to cost \$780 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

  
TOME H. WALTERS, JR.  
LIEUTENANT GENERAL, USAF  
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

## **POLICY JUSTIFICATION**

### **Italy - F-16A Block 10 OCU Aircraft**

The Government of Italy has requested a possible sale of four F-16A Block 10 operational capabilities upgrade (OCU) aircraft for cannibalization, four Pratt and Whitney F-100-PW-200 spare engines, four AN/APG-66 radar sets, spare and repair parts, devices, support equipment, publications and technical documentation, personnel training and training equipment, U.S. Government and contractor engineering and logistics personnel services and other related elements of logistics support. The estimated cost is \$780 million.

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

Italy will use the F-16A Block 10 OCU aircraft to maintain a continuous air defense capability and upgrade/modernize their current fleet. This proposed sale will support a potential lease of F-16A/B aircraft that will provide the capability Italy requires to perform its air defense mission and be a viable air defense provider for their NATO commitments. The Italian Air Force has chosen the F-16A aircraft as their choice to provide this capability until they make a decision on a defense platform to modernize their force. Italy 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.

The principal contractors will be Lockheed Martin of Fort Worth, Texas and Pratt and Whitney of East Hartford, Connecticut. There are no offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require the assignment of two U.S. Government and 117 contractor representatives for five years to Italy.

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

**Transmittal No. 00-76****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 F-16A Block 10 operational capability upgrade aircraft and Pratt and Whitney F-100-PW-200 engine are unclassified. The aircraft does not contain state-of-the-art technology.

2. The F-100 engine and the associated component parts used in F-16A aircraft are unclassified. However, several manufacturing processes, design practices, and metallurgical fabrication techniques used are advanced technology methods found only with the U.S. propulsion industry. The sale of F-100 engines to Italy will not include the transfer of sensitive technology as the sale does not include sensitive manufacturing, design, or metallurgical processes or information.

3. If a technologically advanced adversary were to obtain knowledge of the above systems, such knowledge could be used in an attempt to develop component countermeasures or systems with similar or advanced capabilities.

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

[FR Doc. 00-26175 Filed 10-11-00; 8:45 am]  
BILLING CODE 5001-10-C

**DEPARTMENT OF DEFENSE****Office of the Secretary**

[Transmittal No. 00-77]

**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.

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Dated: October 5, 2000.

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

BILLING CODE 5001-10-M