

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/ESCD/Information Management Division, 1225 South Clark Street, Suite 504, Arlington, VA 22202-4326.

Dated: May 26, 2004.

L.M. Bynum,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 04-12474 Filed 6-2-04; 8:45 am]

BILLING CODE 5001-06-M

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 04-12]

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 July 21, 1996.

FOR FURTHER INFORMATION CONTACT: Ms. J. Hurd, DSCA/OPS-ADMIN, (703) 604-6575.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 04-12 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: May 26, 2004.

L.M. Bynum,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5001-06-M



DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

21 May 2003

In reply refer to:
I-04/004662

**The 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 (AECA), as amended, we are forwarding herewith Transmittal No. 04-12, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to Australia for defense articles and services estimated to cost \$475 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 Foreign Relations
House Committee on Armed Services
Senate Committee on Armed Services
House Committee on Appropriations
Senate Committee on Appropriations**

Transmittal No. 04-12

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

- (i) **Prospective Purchaser:** Australia
- (ii) **Total Estimated Value:**
- | | |
|--------------------------|----------------------|
| Major Defense Equipment* | \$ 68 million |
| Other | <u>\$407 million</u> |
| TOTAL | \$475 million |
- (iii) **Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:** 59 M1A1 Abrams Integrated Management (AIM) tanks, 7 M88A1 medium recovery vehicles, 80 AN/VRC-92F dual long-range Single Channel Ground and Air Radio System (SINCGARS) radios, 146 AN/PVS-7B night vision goggles, 73 M2 .50 caliber machine guns, 7 M2 .50 caliber Heavy Barrel machine guns, 1 ROC-V training device, tactical trucks, trailers, training devices, M240 machine guns, spare and repair parts, special tool and test equipment, personnel training and equipment, publications, U.S. Government and contractor engineering and logistics personnel services, and other related elements of logistics support.
- (iv) **Military Department:** Army (ZZH)
- (v) **Prior Related Cases, if any:** none
- (vi) **Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid:** none
- (vii) **Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold:** See Annex attached
- (viii) **Date Report Delivered to Congress:**

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

POLICY JUSTIFICATION

Australia – M1A1 AIM Tanks

The Government of Australia has requested a possible sale of 59 M1A1 Abrams Integrated Management (AIM) tanks, 7 M88A1 medium recovery vehicles, 80 AN/VRC-92F dual long-range Single Channel Ground and Air Radio System (SINCGARS) radios, 146 AN/PVS-7B night vision goggles, 73 M2 .50 caliber machine guns, 7 M2 .50 caliber Heavy Barrel machine guns, 1 ROC-V training device, tactical trucks, trailers, training devices, M240 machine guns, spare and repair parts, special tool and test equipment, personnel training and equipment, publications, U.S. Government and contractor engineering and logistics personnel services, and other related elements of logistics support. The estimated cost is \$475 million.

This proposed sale would contribute to the foreign policy and national security of the United States by helping to improve the security of an ally, which has been and continues to be an important force for political stability and economic progress in the Western Pacific region. Furthermore, Australia's procurement of these tanks and associated equipment will dramatically improve its interoperability with U.S. Army and Marine Corps units, and will ensure that Australia is on the same path to transformation as is the United States. Australia's decision to buy the Abrams tank represents Australia's commitment to closely align the Australian Defense Force with the U.S. Department of Defense, and signals the strength of the U.S. and Australian security relationship.

Australia will use these tanks to modernize and harden the Australian Army, the land component of the Australian Defense Force. This proposed sale will significantly enhance the interoperability of the U.S. and Australian Defense Forces, and will guarantee U.S. and Australian Army's interoperability for the next twenty-five years.

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

The principal contractors will be: General Dynamics Land Systems of Sterling Heights, Michigan; United Defense Limited Partners of Arlington, Virginia; Oshkosh of Oshkosh, Wisconsin; and Stewart & Stevenson of Houston, Texas. There are no known offset agreements proposed in connection with this potential sale.

At present, it is estimated that two U.S. Government and six contractor representatives will be in Australia for the duration of the program. The final number of U.S. Government and contractor representatives required to support the program will be determined in joint negotiations as the program proceeds through the development, production, and equipment installation phases.

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

Transmittal No. 04-12**Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act****Annex
Item No. vii****(vii) Sensitivity of Technology:**

1. The M1A1 Abrams Integrated Management (AIM) tanks' components considered to contain sensitive technology in the proposed program are as follows:

a. The M1A1 Thermal Imaging System (TIS) constitutes a target acquisition system which, when operated with other tank systems gives the tank crew a substantial advantage over the potential threat. The TIS provides the M1A1 crew with the ability to effectively aim and fire the tank main armament system under a broad range of adverse battlefield conditions. The hardware itself is Unclassified. The engineering design and manufacturing data associated with the detector and infrared (IR) optics and coatings are considered sensitive. The technical data package is Unclassified with exception of the specifications for target acquisition range (Confidential), nuclear hardening (Confidential, restricted data) and laser hardening (Secret).

b. Major components of Special Armor are fabricated in sealed modules and in serialized removable subassemblies. Special armor vulnerability data for both chemical and kinetic energy rounds are classified Secret. Engineering design and manufacturing data related to the special armor are also classified Secret.

c. The M1A1 Tank 120mm Gun and Ammunition system is composed of a smooth bore gun manufactured at Watervliet Arsenal; "long rod" APFSDS warheads; and combustible cartridge case ammunition.

d. The use of the Advanced Gas Turbine-1500 (AGT-1500) Gas Turbine Propulsion System in the M1A1 is a unique application of armored vehicle power pack technology. The hardware is composed of the AGT-1500 engine and transmission, and is Unclassified. Manufacturing processes associated with the production of turbine blades, recuperator, bearings and shafts, and hydrostatic pump and motor, are proprietary and therefore commercially competition sensitive.

e. A major survivability feature of the Abrams Tank is the compartmentalization of fuel and ammunition. Compartmentalization is the positive separation of the crew and critical components from combustible materials. In the event that the fuel or ammunition is ignited or deteriorated by an incoming threat round, the crew is fully protected by the compartmentalization. Sensitive information includes the performance of the ammunition compartments as well as the compartment design parameters.

f. The Far Target Locator gives the tank commander or gunner the capability to use laser energy to locate a target and record the grid coordinates of the target. The coordinates are displayed on the Binocular Image Control Unit and are also electronically recorded for embedding in an electronic message. This allows the tank commander to call for fire so those targets beyond the range of the tank can be engaged by order of a tactical operations center.

g. The Enhanced Precision Lightweight Global Positioning System (GPS) Receiver (PLGR) is a GPS Ground Receiver that is self-contained, hand held and vehicle mounted Precise Positioning Service. The receiver is designed to collect and process the GPS satellite signals to derive position, velocity and time. This unit includes the PLGR Security Kit, which is composed of the Precise Positioning Service Security Module and the Auxiliary Output Chip.

h. The Enhanced Position Locations Reporting System (EPLRS) provides near real time, jam resistant, secure data distribution, and communications, identification, position location, navigation aid and automatic reporting for tactical forces. Various applications are the man portable, wheeled and tracked vehicles, aircraft, and grid reference.

i. The Single Channel Ground and Airborne Radio System (SINCGARS) radio is designed as a jam resistant, secure means of tactical communications. Available in either man portable or vehicular mounted configurations, the SINCGARS provides reliable, easily maintained tactical radio systems for command and control and data transfer.

j. The AN/PVS-7B Night Vision Goggles are considered items of a sensitive nature. These devices are man-portable night vision devices, which incorporate image-intensification technology. This technology is contained in a sealed image intensifier tube that is serialized and removable. Additionally, U.S. Government systems are equipped with a counter-measure device. Engineering and manufacturing data related to the image intensification tube sub-components (Photocathode, Microchannel Plate, and Tube Seals) are classified Confidential. Engineering, testing, and manufacturing data related to the counter-measure device are classified Secret. Additionally, all data related to vulnerabilities and weaknesses are classified Secret.

k. The Second Generation FLIR Horizontal Technology Integration Security (TIS) Classification Guide is a "second generation" thermal imaging sight that attaches to the Abrams tank Gunner's Primary Sight (GPS). The TIS provides the gunner an all-weather/night sight for surveillance, target acquisition, identification and engagement. The latest, "Block I" version of the TIS consists of two line replaceable units, the Thermal Receiving Unit (TRU) and the Binocular Image Control Unit (BICU). The TRU shares a portion of the same head mirror used by the GPS day channel to gather and process thermal information. The BICU injects thermal imagery and fire control symbology into the same GPS eyepiece used for day operations as well as providing a binocular eyepiece for use in battlefield surveillance in the thermal mode. The binocular eyepiece reduces gunner fatigue during long surveillance periods.

l. The Force XXI Battle Command Brigade and Below provides mounted and dismounted tactical combat, combat support, and combat service support units the ability to exchange situational awareness and command and control information, as well as, perform other battle command and battle command support functions.

2. The M88A2 components considered to contain sensitive technology in the proposed case are as follows:

a. The Air-Cooled V-Block Configuration Diesel Supercharged (AVDS)-1790-8CR Engine Propulsion System is a unique modification to the standard piston engine family found in the M60 series and the base M88A1. Manufacturing processes associated with the production of turbochargers, fuel injection system and cylinders are proprietary and therefore commercially competition sensitive.

b. The commercial hydraulic system components are not entirely unique in the armored vehicle world and the sub-components are Unclassified. Manufacturing processes associated with winches, hydraulic motors, control valves, and the like are proprietary and therefore, commercially competition sensitive.

c. The AN/VAS-5 Driver's Vision Enhancer is an uncooled thermal driving device issued to the United States Army, United States Marine Corps and United States Coast Guard. The sensor is commercial technology manufactured by Raytheon Systems Company and the display is commercial technology manufactured by C3 Corporation. Because this is commercial technology, information is available detailing all aspects of these items in open fora.

3. 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.

4. A determination has been made that Australia 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.

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BILLING CODE 5001-06-C

DEPARTMENT OF DEFENSE

Office of the Secretary

Office of the Secretary of Defense (Health Affairs)/TRICARE Management Activity

AGENCY: Department of Defense.

ACTION: Notice of extension of the Myelomeningocele Clinical Trial Demonstration Project.

SUMMARY: This notice is to advise interested parties that the National Institute of Child Health and Human Development (NICHD) demonstration project in which Department of Defense (DoD) is participating will continue. The purpose of this study is to determine whether it is better to close a spina bifida defect before the baby is born or shortly after birth. The demonstration previously scheduled to end April 1, 2004, is now extended until the enrollment reaches 200 nationwide. This demonstration project is being

conducted under the authority of 10 U.S.C. 1092.

EFFECTIVE DATE: April 1, 2004.

FOR FURTHER INFORMATION CONTACT: Gail L. Jones, Health Care Policy Analyst, Medical Benefits and Reimbursement Systems, TRICARE Management Activity (TMA), 16401 East Centretech Parkway, Aurora, CO 80011-9066, telephone (303) 676-3401.

SUPPLEMENTARY INFORMATION: DoD provided a notice in the **Federal Register** (68 FR 7351-7352) published on Thursday, February 13, 2003, which set forth basic procedures for participation in the myelomeningocele demonstration project sponsored by the NICHD, wherein DoD provides TRICARE reimbursement for all eligible DoD beneficiaries, including active duty service members, to receive prenatal and postnatal surgical intervention for the repair of myelomeningocele.

The NICHD expects a total of two hundred patients (nationwide) whose fetuses have been diagnosed with myelomeningocele at 16 to 25 weeks' gestation and who are over the age of 18 years would be enrolled and referred to

the Data and Study Coordinating Center (DSCC) at George Washington University in Rockville, Maryland, to undergo an initial evaluation. Those individuals who remain eligible and interested would be assigned by the DSCC to one of the three centers (Vanderbilt University Medical Center in Nashville, the University of California at San Francisco, or Children's Hospital of Philadelphia) where final evaluation and screening will be performed.

DoD continues to expect six to sixteen TRICARE members each year would have a fetus with a prenatal diagnosis of spina bifida and would be eligible for the NICHD clinical trial and agree to participate.

Participation in this clinical trial will improve access to prenatal and postnatal surgical intervention for the repair of myelomeningocele for active duty members, former members, and their dependents when their condition meets protocol eligibility criteria.