

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.

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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.

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 00-77 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-00/011352

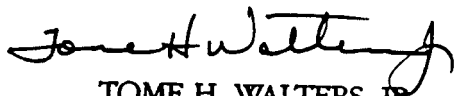
Honorable J. Dennis Hastert
Speaker of the House of
Representatives
Washington, D.C. 20515-7701

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. 00-77 and under separate cover the classified offset certificate thereto. This Transmittal concerns the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to Israel for defense articles and services estimated to cost \$525 million. Soon after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Reporting of Offset Agreements in accordance with Section 36(b)(1)(C) of the Arms Export Control Act (AECA), as amended by Section 1245 of H.R. 3427 enacted by P.L. 106-113 dated November 29, 1999, requires a description of any offset agreement with respect to this proposed sale. Section 36(b)(1)(g) of the AECA, as amended, provides that reported information related to offset agreements be treated as confidential information in accordance with section 12(c) of the Export Administration Act of 1979 (50 U.S.C. App. 2411(c)). Information about offsets for this proposed sale are described in the enclosed confidential attachment.

Sincerely,


TOME H. WALTERS, JR.
LIEUTENANT GENERAL, USAF
DIRECTOR

Attachments

Separate Cover:
Offset certificate

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. 00-77

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Pursuant to Section 36(b)(1)
of the Arms Export Control Act

- (i) Prospective Purchaser: Israel
- (ii) Total Estimated Value:
 - Major Defense Equipment* \$ 400 million
 - Other \$ 125 million
 - TOTAL \$ 525 million
- (iii) Description of Articles or Services Offered: Thirty-five UH-60L BLACKHAWK helicopters, 70 T700-GE-701C turbine engines, 29 spare T700-GE-701C turbine engines with containers, external rescue hoist provisions, rotor brake system, spare and repair parts, tools and support equipment, publications and technical data, personnel training and training equipment, U.S. Government Quality Assurance Team, contractor engineering and technical support services and other related elements of logistics support.
- (iv) Military Department: Army (YWV)
- (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: 27 SEP 2000

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

POLICY JUSTIFICATION

Israel - UH-60L BLACKHAWK Helicopters

The Government of Israel has requested the purchase of 35 UH-60L BLACKHAWK helicopters, 70 T700-GE-701C turbine engines, 29 spare T700-GE-701C turbine engines with containers, external rescue hoist provisions, rotor brake system, spare and repair parts, tools and support equipment, publications and technical data, personnel training and training equipment, U.S. Government Quality Assurance Team (QAT), contractor engineering and technical support services and other related elements of logistics support. The estimated cost is \$525 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 will enhance their current helicopter fleet and provide combat service support for Israeli Defense personnel. Israel, which already has BLACKHAWK helicopters in its inventory, will have no difficulty absorbing the additional helicopters.

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

The prime contractors participating in the program will be Sikorsky Aircraft Company of Stratford, Connecticut and General Electric of Lynn, Massachusetts. One or more proposed offset agreements may be related to this proposed sale.

A United States Government QAT will be required for a minimum of one week during the delivery and initial operation of the helicopters. An U.S. contractor field service representative will also be required in-country for a period of three years to support the new helicopters.

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

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1. The UH-60L BLACKHAWK helicopter is Unclassified. The highest level of classified information required to be released for training, operation and maintenance of the BLACKHAWK is Confidential. The highest level which could be revealed through reverse engineering or testing of the end item is Confidential. This information includes Confidential reports and test data, as well as performance and capability data, classified Confidential/Secret.

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