

[FR Doc. 02-19602 Filed 8-2-02; 8:45 am]
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DEPARTMENT OF DEFENSE**Office of the Secretary****[Transmittal No. 02-35]****36(b)(1) Arms Sales Notification**

AGENCY: Defense Security Cooperation
Agency, Department of Defense.

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 02-35 with attached transmittal and policy justification.

Dated: July 26, 2002.

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

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DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

25 JUL 2002

In reply refer to:
I-02/008194

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. 02-35, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance (LOA) to Egypt for defense articles and services estimated to cost \$70 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

A handwritten signature in cursive script, reading "Richard J. Millies", is positioned above the printed name and title.

Richard J. Millies
Acting Director

Attachments

Same ltr to: House Committee on International Relations
Senate Committee on Appropriations
Senate Committee on Foreign Relations
House Committee on Armed Services
Senate Committee on Armed Services
House Committee on Appropriations

Transmittal No. 02-35

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:** Egypt

- (ii) **Total Estimated Value:**

Major Defense Equipment*	\$ 0 million
Other	<u>\$70 million</u>
TOTAL	\$70 million

- (iii) **Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:** six Theater Airborne Reconnaissance System (TARS) Pods, aircraft integration, ground station equipment, spare and repair parts, 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:** Air Force (QEN)

- (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:** none

- (viii) **Date Report Delivered to Congress:** 2 5 JUL 2002

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

POLICY JUSTIFICATION

Egypt – Theater Airborne Reconnaissance System Pods

The Government of Egypt has requested a possible sale of six Theater Airborne Reconnaissance System (TARS) Pods, aircraft integration, ground station equipment, spare and repair parts, 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 \$70 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 TARS will provide Egypt with under-the-weather, medium-to-high threat, short range, and daytime only imagery collection capability. It is an entry level, low technology system, which will provide Egypt important border-area image collection capability. These systems will be integrated on existing Block 40 F-16 aircraft to provide daytime electro-optical imagery along Egypt's borders. It also allows Egypt to provide support during coalition operations and exercises. The Egyptian Air Force should have no problem operating and maintaining the TARS system on the F-16 aircraft.

The principle contractors will be: BAE Systems of Syosset, New York, and Recon Optical Incorporated of Barrington, Illinois. There are no offset agreements proposed in connection with this potential sale.

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

Implementation of this proposed sale will require semi-annual technical reviews with 10 each U.S. Government and contractor representatives to Egypt.

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

[FR Doc. 02-19603 Filed 8-2-02; 8:45 am]

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DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 02-55]

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 02-55 with attached transmittal and policy justification.

Dated: July 30, 2002.

Patricia L. Toppings,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

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