

Transmittal No. 04-08**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 AN/AAQ-24(V) NEMESIS Directional Infrared Countermeasures (DIRCM) with a multi-band laser on large infrared signature aircraft reduces the number of required transmitters and increases effectiveness against threats from modern Man-Portable Air Defense Systems. This aircraft self-protection suite will provide fast and accurate threat detection, processing, tracking, and countermeasures to defeat current and future generation infrared missile threats. DIRCM is designed for installation on a wide range of rotary and fixed-wing aircraft. The ALQ-211 Suite of Integrated RF Countermeasures provides advanced radar warning, situational awareness, and electronic countermeasures capabilities. The AN/ALE-47 is a chaff/flare dispensing system.

2. If a technologically advanced adversary were to obtain knowledge of the specific hardware or software 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 advance capabilities.

3. A determination has been made that India 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. 04-16636 Filed 7-21-04; 8:45 am]

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DEPARTMENT OF DEFENSE**Office of the Secretary**

[Transmittal No. 04-19]

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/OPS-ADMIN, (703) 604-6575.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 04-19 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: July 16, 2004

L.M. Bynum,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 50011-06-M



DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

13 JUL 2004
In reply refer to:
I-04/007628

**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, as amended, we are forwarding herewith Transmittal No. 04-19, concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance (LOA) to Japan for defense articles and services estimated to cost \$99 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

A handwritten signature in cursive script that reads "Richard J. Millies".

**Richard J. Millies
Deputy Director**

Enclosures:

- 1. Transmittal No. 04-19**
- 2. Policy Justification**
- 3. Sensitivity of Technology**

**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. 04-19

**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:** Japan
- (ii) **Total Estimated Value:**
- | | |
|--------------------------|---------------------|
| Major Defense Equipment* | \$92 million |
| Other | <u>\$ 7 million</u> |
| TOTAL | \$99 million |
- (iii) **Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:** 40 SM-2 Block IIIB Tactical STANDARD missiles with MK 13 MOD 0 canisters, 14 SM-2 Block IIIB Telemetry STANDARD missiles with MK 13 MOD 0 canisters and AN/DKT-71A telemeters and conversion kits, 10 SM-2 Block IIIB Telemetry STANDARD missiles with MK 13 MOD 0 canisters and DKT-71A telemeters, containers, spare and repair parts, supply support, U.S. Government and contractor technical assistance and other related elements of logistics support.
- (iv) **Military Department:** Navy (APS, APT, APU, and APV)
- (v) **Prior Related Cases, if any:**
- | | |
|--------------|--------------------------|
| FMS case APP | - \$16 million - 11Jul03 |
| FMS case APG | - \$27 million - 20Jun03 |
| FMS case AOZ | - \$21 million - 23Aug02 |
| FMS case AOO | - \$18 million - 19Dec01 |
| FMS case AOI | - \$17 million - 1Nov00 |
| FMS case AOB | - \$16 million - 9Dec99 |
| FMS case ANU | - \$17 million - 21Dec98 |
| FMS case AMZ | - \$ 7 million - 17Oct94 |
| FMS case ALT | - \$10 million - 27Aug93 |
| FMS case ALI | - \$ 7 million - 28Oct92 |
| FMS case AKV | - \$12 million - 24Mar92 |
- (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:** 13 JUL 2004

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

POLICY JUSTIFICATION

Japan - SM-2 Block IIIB STANDARD Missiles

The Government of Japan has requested a possible sale of 40 SM-2 Block IIIB Tactical STANDARD missiles with MK 13 MOD 0 canisters, 14 SM-2 Block IIIB Telemetry STANDARD missiles with MK 13 MOD 0 canisters and AN/DKT-71A telemeters and conversion kits, 10 SM-2 Block IIIB Telemetry STANDARD missiles with MK 13 MOD 0 canisters and DKT-71A telemeters, containers, spare and repair parts, supply support, U.S. Government and contractor technical assistance and other related elements of logistics support. The estimated cost is \$99 million.

Japan is one of the major political and economic powers in East Asia and the Western Pacific and a key ally of the United States in ensuring the peace and stability of that region. It is vital to the U.S. national interest to assist Japan to develop and maintain a strong and ready self-defense capability, which will contribute to an acceptable military balance in the area. This proposed sale is consistent with these U.S. objectives and with the 1960 Treaty of Mutual Cooperation and Security.

The SM-2 missiles will be used on ships of the Japan Maritime Self Defense Force fleet and will provide enhanced capabilities in providing defense of critical sea-lanes of communication. Japan, which already has STANDARD missiles in its inventory, will have no difficulty absorbing these additional missiles.

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

The principle contractors will be: Raytheon Missile Systems Company in Tucson, Arizona; Raytheon Company of Camden, Arkansas; United Defense, Limited Partnership (UDLP) of Minneapolis, Minnesota; and UDLP of Aberdeen, South Dakota. There are no offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government or contractor representatives to Japan.

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

Transmittal No. 04-19

**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 possible sale of SM-2 Block IIIB STANDARD missiles will result in the transfer of sensitive technology and information as well as classified and unclassified defense equipment and technical data. The STANDARD missile hardware including: guidance section, target detecting device, warhead, rocket motor, steering control section, safety and arming device, and auto-pilot battery unit are classified Confidential. Certain operating frequencies and performance characteristics are classified Secret. Confidential documentation to be provided includes: parametric documents, general performance data, firing guidance, kinematics information, Intermediate Maintenance Activity (IMA)-level maintenance, and flight analysis procedures.

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 Japan 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. 04-16637 Filed 7-21-04; 8:45 am]
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DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 04-15]

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 Pub. L. 104-164 dated 21 July 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 04-15 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: July 16, 2004.

L.M. Bynum,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5001-06-M