

DEPARTMENT OF DEFENSE**Office of the Secretary****[Transmittal No. 00-39]****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/COMPT/RM, (703) 604-6575.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 00-39 with attached transmittal and policy justification.

Dated: May 30, 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

24 MAY 2000
In reply refer to:
I-00/005458

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. 00-39, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to Egypt for defense articles and services estimated to cost \$48 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

A handwritten signature in black ink, appearing to read "M. S. Davison", is positioned above the typed name.

MICHAEL S. DAVISON, JR.
LIEUTENANT GENERAL, USA
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

Transmittal No. 00-39

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

- (i) **Prospective Purchaser:** Egypt
- (ii) **Total Estimated Value:**
 - Major Defense Equipment* \$ 42 million
 - Other \$ 6 million
 - TOTAL \$ 48 million
- (iii) **Description of Articles or Services Offered:** Two hundred seventy-nine M109A2/A3 155mm self-propelled howitzers, support equipment, spare and repair parts, publications and technical data, personnel training and training equipment, U.S. Government and contractor engineering and logistics personnel services, and other related elements of logistics support.
- (iv) **Military Department:** Army (UTM)
- (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:** none
- (vii) **Date Report Delivered to Congress:** 24 MAY 2000

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

POLICY JUSTIFICATION**Egypt - 155mm Self-propelled Howitzers**

The Government of Egypt has requested a possible sale of 279 M109A2/A3 155mm self-propelled howitzers, support equipment, spare and repair parts, publications and technical data, 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 \$48 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.

Egypt will use these howitzers to replace aging Soviet towed artillery and to compliment the modernization of the M1A1/M60A3 divisions. Egypt will have no difficulty absorbing these howitzers into its armed forces.

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

No contractor is involved for this purchase. Equipment is considered long supply and is no longer utilized by the U.S. Government. There are no offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of U.S. Government or contract representatives to Egypt.

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