

Transmittal No. 05-05**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 PHALANX Close-in Weapons System (CIWS) MK 15 Block 1B is a self defense weapons system which provides Naval surface forces with a capability to engage high speed inbound air contacts. Additionally, the Block 1B allows for engagement of high-speed surface contacts. The highest classification of any data and/or items associated with this proposed refurbishment/sale including publications, documentation, operations, supply and training is Confidential.

2. The refurbishment/sale of the PHALANX Close-in Weapons System (CIWS) MK 15 Block 1B under this proposed case will result in the transfer of sensitive technological information to Pakistan. Both classified and unclassified defense equipment and technical data will be involved. The CIWS MK15 BLK 1B crystals and the Operational and Maintenance Procedures are classified Confidential. Equipment and documentation to be provided will include: MK 15 BLK1B mounts, gun barrels, PASS equipment and tapes, support and test equipment, General Purpose Electronic Test Equipment, and publications.

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.

[FR Doc. 04-27125 Filed 12-9-04; 8:45 am]

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DEPARTMENT OF DEFENSE**Office of the Secretary**

[Transmittal No. 05-07]

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 05-07 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: December 6, 2004.

Jeannette Owings-Ballard,
OSD Federal Register Liaison Officer,
Department of Defense.

BILLING CODE 5001-06-M



DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

16 NOV 2004

**In reply refer to:
I-04/008459**

**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. 05-07, concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance to Pakistan for defense articles and services estimated to cost \$970 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

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

**Richard J. Millies
Deputy Director**

Enclosures:

- 1. Transmittal No. 05-07**
- 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. 05-07

**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:** Pakistan
- (ii) **Total Estimated Value:**
- | | |
|--------------------------|----------------------|
| Major Defense Equipment* | \$658 million |
| Other | <u>\$312 million</u> |
| TOTAL | \$970 million |
- (iii) **Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:** eight P-3C aircraft with T-56 engines, communications equipment, training devices, medical services, support and test equipment, engineering technical services, supply support, operation and maintenance training, documentation, spare/repair parts, publications, documentation, personnel training, training equipment, contractor technical and logistics personnel services, and other related support elements.
- (iv) **Military Department:** Navy (SAZ)
- (v) **Prior Related Cases, if any:** FMS case SAL - \$212 million - 21Jul88
- (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:** 16 NOV 2004

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

POLICY JUSTIFICATION

Pakistan – P-3C Aircraft

The Government of Pakistan has requested a possible sale for eight P-3C aircraft with T-56 engines, communications equipment, training devices, medical services, support and test equipment, engineering technical services, supply support, operation and maintenance training, documentation, spare/repair parts, publications, documentation, personnel training, training equipment, contractor technical and logistics personnel services, and other related support elements. The estimated cost is \$970 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 that has been and continues to be an important force for economic progress in South Asia and the global war on terrorism. The command-and-control capabilities of these aircraft will improve Pakistan's ability to restrict the littoral movement of terrorists along Pakistan's southern border and ensure Pakistan's overall ability to maintain integrity of their borders.

Pakistan intends to use the proposed purchase to develop a long needed fleet of maritime and border surveillance aircraft. The addition of these aircraft will provide Pakistan with search surveillance, and control capability in support of maritime interdiction operations and increase their ability to support the U.S. Operation Enduring Freedom Operations; anti-ship and anti-submarine warfare capabilities; and a control capability over land against transnational terrorists and narcotics smugglers. The modernization will enhance the capabilities of the Pakistani Navy and support its regional influence and meet its legitimate self-defense needs. Pakistan is capable of absorbing and maintaining these additional aircraft in its inventory.

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

The prime contractor will be Lockheed Martin Company of Greenville, South Carolina. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require the assignment of several U.S. Government and contractor representatives for two-week intervals twice annually to participate in training, program management and technical review.

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

Transmittal No. 05-07**Notice of Proposed Issuance of Letter of Offer
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of the Arms Export Control Act****Annex
Item No. vii****(vii) Sensitivity of Technology:**

1. The P-3C "ORION" is a land-based, long-range, four-engine turboprop (T-56 engine), anti-submarine and maritime surveillance aircraft. Originally designed as an anti-submarine warfare patrol aircraft, the P-3C's mission has evolved to include surveillance of the battle space, either at sea or over land. The avionics system is integrated by a digital computer that supports all of the tactical displays, monitors and then automatically launches ordnance. In addition, the system coordinates navigation information and accepts sensor data inputs for tactical display and storage. The P-3C can carry a mixed payload of weapons internally and on wing pylons. Some of the publications, tactical equipment performance specifications, operational capabilities, and vulnerability to countermeasures are classified Secret. The classified information that will be provided consists only of that necessary for Pakistan to operate, maintain, and overhaul the P-3C airframe, T-56 engines, some of the installed avionics, and data management system software. Certain tactical systems will be returned to the original equipment manufacturer for repair, due to technology sensitivity. The P-3C, the Tactical Support Center (TSC) and the Mobile Operations Command Center (MOCC) include the following classified components: aircraft data management system, communications, and tactical systems, aircraft, TSC and MOCC software and aircraft, TSC and MOCC software documentation. The proposed sale is expected to provide classified equipment and documentation classified up to Secret. The classified information to be provided consists of that which is necessary for the operation, maintenance, and repair (through intermediate level) of the data link terminal, installed systems, and related software.

2. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software, 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.

[FR Doc. 04-27126 Filed 12-9-04; 8:45 am]
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DEPARTMENT OF DEFENSE**Office of the Secretary**

[Transmittal No. 05-06]

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security cooperation Agency.

ACTION: Notice.

SUMMARY: 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 05-06 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: December 6, 2004.

Jeannette Owings-Ballard,
OSD Federal Register Liaison Officer
Department of Defense.

BILLING CODE 5001-06-M