

Defense Security Cooperation Agency NEWS RELEASE

On the web: <u>http://www.dsca.mil</u>

Media/Public Contact: (703) 601-3670

Transmittal No. 07-51

Taipei Economic and Cultural Representative Office in the United States – Excess P-3C Aircraft

WASHINGTON, September 12, 2007 - The Defense Security Cooperation Agency notified Congress of a possible Foreign Military Sale to the Taipei Economic and Cultural Representative Office in the United States of excess P-3C aircraft as well as associated equipment and services. The total value, if all options are exercised, could be as high as \$1.960 billion.

The Taipei Economic and Cultural Representative Office in the United States has requested a possible sale of 12 excess P-3C aircraft with T-56 engines, 3 excess TP-3A aircraft (non-operational, to be used as airframe spares) with T-56 engines, 15 Data Link terminals, 19 Multifunctional Information Distribution Systems (MIDS)/Low Volume Terminals (LVT), 2 MIDS On-Ship Terminals, aircraft activation, aircraft life extension and avionics modification, transportation, mobile operation command center, Command Control Communications Computer Intelligence Surveillance, Reconnaissance, (C4ISR) network integration, training devices, medical services, support and test equipment, engineering technical services, supply support, operation and maintenance training, ground support C2 facilities, 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 \$1.960 billion.

This proposed sale serves U.S. national economic and security interests by supporting the recipient's continuing efforts to modernize its armed forces and enhance its defensive capability. The proposed sale will help improve the security of the recipient and assist in maintaining political stability, military balance, and economic progress in the region.

This sale is consistent with United States law and policy as expressed in Public Law 96-8. The United States is committed to providing military assistance under the terms of the Taiwan Relations Act.

The recipient's current patrol aircraft are reaching the end of their fatigue and operational service life. To maintain national security it is necessary that recipient replace these fixed-wing aircraft with an airborne operational capability for land-based maritime patrol and reconnaissance, including economic exclusion zone surveillance and protection, command and control, anti-submarine warfare, and anti-surface warfare. The recipient can absorb these additional aircraft into its inventory.

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

Principal contractors involved in this proposed program:

Lockheed Martin of Eagan, Minnesota Lockheed Martin Aircraft Center of Greenville, South Carolina Rockwell Collins of Cedar Rapids, Iowa Raytheon Company of McKinney, Texas EDO (Condor Systems) of Morgan Hill, Ontario Canada L3 Wescam of Ontario, Canada.

Offset agreement associated with this proposed sale are expected, but at this time the specific offset agreements are undetermined and will be defined in negotiations between the purchaser and contractors.

There may be up to 32 U.S. Government and contractor representatives with varying technical skills and disciplines who will be required, following the delivery of the aircraft, to provide support for one year after the last aircraft delivery.

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

This notice of a potential sale is required by law; it does not mean that the sale has been concluded.

-30-