



EMBASSY OF THE
UNITED STATES OF AMERICA
Bern, Switzerland

November 4, 1976

Mr. Rene Huber
Director
Procurement Division
Kasernenstrasse 19
3003 Bern

Dear Mr. Huber:

I wish to refer to our recent discussion concerning the proposed sale by Swiss firms to the U.S. firm, General Electric, Inc., of components for the J-85-21 jet aircraft engine and the resulting end-use certificate requirement.

It is our understanding that Swiss law requires the recipient government in cases involving the export from Switzerland of military materiel to certify that the materiel serves the defense of the country in question and that such materiel will not be re-exported from that country.

As you are undoubtedly aware, the United States Government is engaged in furnishing a variety of defense articles and services to eligible foreign countries under the authority of our international security assistance programs. The J-85-21 engine powers the F-5E aircraft which is primarily designed to meet foreign requirements for air defense aircraft. We could not for obvious reasons undertake a commitment that would prohibit or restrict us from exporting that aircraft, its associated equipment, or components thereof to recipients of our own choosing.

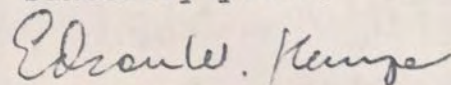
I wish to emphasize, nevertheless, that the United States Government remains keenly interested in the offset program associated with the Swiss purchase of F-5E aircraft. With this spirit of cooperation in mind and in response to your request, I have been instructed to submit this letter

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as a formal request by the United States Government that the Government of Switzerland ascertain and subsequently inform the Embassy if an exception can be made to the requirement for an end-use certificate on components exported from Switzerland for incorporation into the J-85-21 engine.

We would also appreciate it if you could indicate to us whether such an exception could be provided for all Swiss-origin items that might in the future be considered for incorporation into U.S. defense articles. We believe that the Swiss end-use requirement will inhibit the successful attainment of the offset objective.

Sincerely yours,



Edson W. Kempe
Counselor for Political,
Economic and Commercial Affairs