



ACQUISITION AND
TECHNOLOGY

OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON
WASHINGTON DC 20301-3000

October 1, 2001

Honorable Bob Stump
Chairman
Committee on Armed Services
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

Enclosed is the fourth Quarterly Report on the Defense Export Loan Guarantee Program covering the period from July 1, 2001 through September 30, 2001. This report to Congress is submitted in response to H. R. 4576, the Defense Appropriations Act for Fiscal Year 2001, Section 8071.

Sincerely,

A handwritten signature in black ink that reads "Barbara Castanon".

Barbara Castanon
Program Manager
DELG (International Cooperation)

Enclosure

cc: Honorable Ike Skelton
Ranking Democrat



Report to Congress
on the
Defense Export Loan Guarantee Program
Fourth Quarter, Fiscal Year 2001
(July 1, 2001 through September 30, 2001)

This is the fourth report in response to the Defense Appropriations Act for Fiscal Year 2001, Section 8071, which directs that reports concerning program implementation be provided to the Committees on Appropriations, Armed Services and Foreign Relations in the Senate, and the Committees on Appropriations, Armed Services, and International Relations in the House of Representatives.

The Defense Export Loan Guarantee (DELG) Program has been established pursuant to Congressional direction in the National Defense Authorization Act for Fiscal Year 1996 and the Defense Appropriations Act for Fiscal Year 1996. Pursuant to this legislation, the Department of Defense issued a Program announcement in the Federal Register on November 8, 1996, whereby the Program became operative.

The DELG Program allows the Secretary of Defense to guarantee payment of private sector loans to designated sovereign foreign nations for the purchase or long-term lease of U.S. defense articles, services, or design and construction services.

The Department of Defense has engaged an outside contractor to provide administrative support to the Program. Fees charged to users are designed to cover the costs associated with implementing the Program.

During the Fourth Quarter, Fiscal Year 2001 (July 1, 2001 through September 30, 2001), the Department of Defense did not issue any Letters of Interest or Final Commitments.