

Transmittal No. 18–03

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*: The Government of the United Kingdom
(ii) *Total Estimated Value*:

Major Defense Equipment *	\$600 million
Other	\$ 50 million
TOTAL	\$650 million

(iii) *Description and Quantity or Quantities of Articles or Services under Consideration for Purchase*:

Major Defense Equipment (MDE): Up to two hundred (200) AIM–120D Advanced Medium-Range Air-to-Air Missiles (AMRAAMs)

Non-MDE: Also included in this sale are missile containers; weapon system support equipment; support and test equipment; site survey; transportation; repair and return support; warranties; spare and repair parts; publications and technical documentation; maintenance and personnel training; training equipment; U.S. Government and contractor engineering, logistics, and technical support services; and other related elements of logistics and program support.

(iv) *Military Department*: Air Force (UK–D–YAM)

(v) *Prior Related Cases, if any*: UK–D–YAL, 6 Sep 17

(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 Attached Annex

(viii) *Date Report Delivered to Congress*: July 10, 2018

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

POLICY JUSTIFICATION

United Kingdom—AIM–120D Advanced Medium Range Air-to-Air Missile (AMRAAM)

The Government of the United Kingdom has requested to buy up to two hundred (200) AIM–120D Advanced Medium Range Air-to-Air Missiles (AMRAAMs). Also included in this sale are missile containers; weapon system support equipment; support and test equipment; site survey; transportation; repair and return support; warranties; spare and repair parts; publications and technical documentation; maintenance and personnel training; training equipment; U.S. Government and contractor engineering, logistics, and technical support services; and other related elements of logistics and program support. The estimated cost of the overall possible sale is \$650 million.

The proposed sale will support the foreign policy and national security policies of the United States by helping to improve the security of a NATO ally which has been, and continues to be, an important partner on critical foreign policy and defense issues.

The proposed sale will improve the Royal Air Force's aircraft capabilities for mutual defense, regional security, force modernization, and U.S. and NATO interoperability. This sale will enhance the Royal Air Force's ability to defend the United Kingdom against future threats and contribute to future NATO operations. The United Kingdom will have no difficulty absorbing these missiles into its armed forces.

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

The principal contractor will be Raytheon Missile Systems Company, Tucson, AZ. At this time, there are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government or contractor representatives to the United Kingdom.

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

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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 AIM–120D Advanced Medium Range Air-to-Air Missiles (AMRAAM) is a guided missile featuring digital technology and micro-miniature solid-state electronics. AMRAAM capabilities include look-down/shoot-down, multiple launches against multiple targets, resistance to electronic countermeasures, and interception of high- and low-flying and maneuvering targets. The AMRAAM is classified CONFIDENTIAL, major components and subsystems range from UNCLASSIFIED to CONFIDENTIAL, and technical data and other documentation are classified up to SECRET.

2. The AIM–120D AMRAAM hardware, including the missile guidance section, is classified CONFIDENTIAL. State-of-the-art technology is used in the missile to provide it with unique beyond-visual-range capability. The increase in capability from the AIM–120C–7 to AIM–120D consists of a two-way data

link, a more accurate navigation unit, improved High-Angle Off-Boresight (HOBS) capability, and enhanced aircraft-to-missile position handoff.

3. AIM–120D features a target detection device with embedded electronic countermeasures, and an electronics unit within the guidance section that performs all radar signal processing, mid-course and terminal guidance, flight control, target detection, and warhead burst point determination.

4. If a technologically advanced adversary obtains knowledge of the specific hardware and software elements, the information could be used to develop countermeasures or equivalent systems that might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.

5. A determination has been made that the Government of the United Kingdom can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This proposed sale is necessary to the furtherance of the U.S. foreign policy and national security objectives outlined in the policy justification.

6. All defense articles and services listed in this transmittal are authorized for release and export to the Government of the United Kingdom.

[FR Doc. 2018–16310 Filed 7–30–18; 8:45 am]

BILLING CODE 5001–06–P

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 18–19]

Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense.

ACTION: Arms sales notice.

SUMMARY: The Department of Defense is publishing the unclassified text of an arms sales notification.

FOR FURTHER INFORMATION CONTACT: DSCA at dsca.ncr.lmo.mbx.info@mail.mil or (703) 697–9709.

SUPPLEMENTARY INFORMATION: This 36(b)(1) arms sales notification is published to fulfill the requirements of section 155 of Public Law 104–164 dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 18–19 with attached Policy Justification and Sensitivity of Technology.

Dated: July 26, 2018.

Shelly E. Finke,

*Alternate OSD Federal Register Liaison
Officer, Department of Defense.*

BILLING CODE 5001-06-P



DEFENSE SECURITY COOPERATION AGENCY

201 12TH STREET SOUTH, STE 203

ARLINGTON, VA 22202-5408

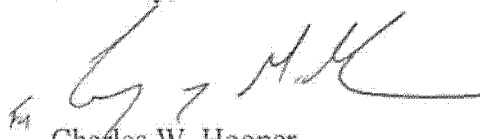
JUN 26 2018

The Honorable Paul D. Ryan
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

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. 18-19, concerning the Navy's proposed Letter(s) of Offer and Acceptance to the Government of Spain for defense articles and services estimated to cost \$860.4 million. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,


Charles W. Hooper
Lieutenant General, USA
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology

Transmittal No. 18–19

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*: Government of Spain

(ii) *Total Estimated Value*:

Major Defense Equipment *	\$324.4 million
Other	\$536.0 million
TOTAL	\$860.4 million

(iii) *Description and Quantity or Quantities of Articles or Services under Consideration for Purchase*:

Major Defense Equipment (MDE):

Five (5) AEGIS Weapons Systems (AWS) MK7

Six (6) Shipsets Digital Signal Processing

Five (5) Shipsets AWS Computing Infrastructure MARK 1 MOD 0

Five (5) Shipsets Operational Readiness Test Systems (ORTS)

Five (5) Shipsets MK 99 MOD 14 Fire Control System

Five (5) Shipsets MK 41 Baseline VII Vertical Launching Systems (VLS)

Two (2) All-Up-Round MK 54 Mod 0 Lightweight Torpedoes

Twenty (20) SM–2 Block IIIB Missiles and MK 13 Canisters with AN/DKT–71 Warhead Compatible Telemeter

Non-MDE: Also included are one (1) S4 AWS computer program, five (5) shipsets Ultra High Frequency (UHF) Satellite Communications (SATCOM), five (5) shipsets AN/SRQ–4 radio terminal sets, five (5) shipsets ordnance handling equipment, five (5) shipsets Selective Availability Anti-Spoofing Modules (SAASM), five (5) shipsets aviation handling and support equipment, five (5) shipsets AN/SLQ–24E Torpedo countermeasures systems, five (5) shipsets LM04 Thru-Hull XBT Launcher and test canisters, one (1) shipset MK 36 MOD 6 Decoy Launching System, five (5) shipsets Link Level COMSEC (LLC) 7M for LINK 22, five (5) shipsets Maintenance Assist Module (MAM) cabinets, five (5) shipsets technical documentation, five (5) shipsets installation support material, special purpose test equipment, system engineering, technical services, on-site vendor assistance, spare parts, systems training, foreign liaison office and staging services necessary to support ship construction and delivery, spare and repair parts, tools and test equipment, support equipment, repair and return support, personnel training and training equipment, publications and technical documentation, U.S. Government and contractor engineering and logistics support services, and other

related elements of logistic and program support.

(iv) *Military Department*: Navy (SP–P–LHM)

(v) *Prior Related Cases, if any*: SP–P–LHL, SP–P–GOL

(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 Attached Annex

(viii) *Date Report Delivered to Congress*: June 26, 2018

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

POLICY JUSTIFICATION

Spain—AEGIS Combat System

The Government of Spain has requested to buy five (5) AEGIS Weapons Systems (AWS) MK7, six (6) shipsets Digital Signal Processing, five (5) shipsets AWS Computing Infrastructure MARK 1 MOD 0, five (5) shipsets Operational Readiness Test Systems (ORTS), five (5) shipsets MK 99 MOD 14 Fire Control System, five (5) shipsets MK 41 Baseline VII Vertical Launching Systems (VLS), two (2) All-Up-Round MK 54 Mod 0 lightweight torpedoes, twenty (20) SM–2 Block IIIB missiles and MK 13 canisters with AN/DKT–71 warhead compatible telemeter. Also included are one (1) S4 AWS computer program, five (5) shipsets Ultra High Frequency (UHF) Satellite Communications (SATCOM), five (5) shipsets AN/SRQ–4 radio terminal sets, five (5) shipsets ordnance handling equipment, five (5) shipsets Selective Availability Anti-Spoofing Modules (SAASM), five (5) shipsets aviation handling and support equipment, five (5) shipsets AN/SLQ–24E Torpedo countermeasures systems, five (5) shipsets LM04 Thru-Hull XBT Launcher and test canisters, one (1) shipset MK 36 MOD 6 Decoy Launching System, five (5) shipsets Link Level COMSEC (LLC) 7M for LINK 22, five (5) shipsets Maintenance Assist Module (MAM) cabinets, five (5) shipsets technical documentation, five (5) shipsets installation support material, special purpose test equipment, system engineering, technical services, on-site vendor assistance, spare parts, systems training, foreign liaison office and staging services necessary to support ship construction and delivery, spare and repair parts, tools and test equipment, support equipment, repair and return support, personnel training and training equipment, publications and technical documentation, U.S. Government and contractor engineering and logistics support services, and other

related elements of logistic and program support. The total estimated program cost is \$860.4 million.

The proposed sale will support the foreign policy and national security objectives of the United States by improving the security of a NATO ally that is an important force for political stability and economic progress in Europe. It is vital to the U.S. national interest to assist Spain in developing and maintaining a strong and ready self-defense capability.

The addition of five (5) new AEGIS equipped frigates to Spain's fleet will afford more flexibility and capability to counter regional threats and continue to enhance stability in the region. Spain currently operates 5 AEGIS frigates and is proficient at using the AEGIS system to its fullest capability. Spain has demonstrated the capability, flexibility, and responsibility necessary to acquire this AEGIS system into its fleet and will continue to operate it as required to ensure interoperability as a highly valued NATO partner. Spain will have no difficulty absorbing this equipment and support into its armed forces.

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

The prime contractors will be Lockheed Martin, Moorestown, NJ, and Manassas, VA; Raytheon Company, Waltham, MA; and General Dynamics, Williston, VT. There are also a significant number of companies under contract with the U.S. Navy that will provide components and systems as well as engineering services during the execution of this effort. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require multiple trips by U.S. Government and contractor representatives to participate in program and technical reviews plus training and maintenance support in country, on a temporary basis, for a period of twenty-four (24) months. It will also require two (2) contractor representatives to reside in country for a period of two (2) years to support this program.

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

Transmittal No. 18–19

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 AEGIS Weapon System (AWS) is a multi-mission combat system

providing integrated Air and Missile Defense for surface ships. This sale involves a subset of the AWS Baseline 9 Anti-Air Warfare (AAW) capability called the International AEGIS Fire Control Loop (IAFCL); no integrated Ballistic Missile Defense will be provided. AWS Software, documentation, combat system training and technical services will be provided at the classification levels up to and including SECRET. The manuals and technical documents are limited to those necessary for operational use and organization maintenance.

2. IAFCL hardware include AWS Computing Infrastructure Equipment, including Blade Processors, Fire Control System (FCS) MK 99, Vertical Launching System (VLS) MK 41, combat system support equipment, logistics support equipment, and the Digital Signal Processing Group equipment consisting of the Signal Processor Assembly Cabinet and Radar Data Processor Cabinet. The Digital Signal Processing group will be derived from the Multi-Mission Signal Processor and will be integrated with the Solid-State S-Band Multifunction Radar which is being procured by Spain via Direct Commercial Sale contract. The Digital Signal Processing Group will be capable of Anti-Air Warfare mission only. The hardware is unclassified. The IAFCL meets Anti-Tamper Requirements.

3. The Torpedo Countermeasure Transmitting Set AN/SLQ-25 (Nixie) is a passive, electro-acoustic decoy system used to provide deceptive countermeasures against acoustic homing torpedoes. The AN/SLQ-25 employs an underwater acoustic projector housed in a streamlines body which is towed astern on a combination tow/signal-transfer coaxial cable. An onboard generated signal is used by the towed body to produce an acoustic signal to decoy the hostile torpedo away from the ship. The AN/SLQ-25E included improved deceptive countermeasure capabilities, a fiber optic display LAN, a torpedo alertment capability and a towed array sensor, as well as addressing obsolescence issues in previous variants. The highest classification of the hardware to be exported is SECRET. The purchaser currently has the AN/SLQ-25A variant of this weapon system in its inventory.

4. The Common Data Link Hawklink AN/SRQ-4 radio terminal sets provide the shipboard element of a situation awareness system that links airborne terminals with surface warships. The system provides real-time use of aircraft sensors to extend situational awareness over the horizon by enabling surveillance helicopters to data-link

radar, video, networking, and acoustic data to various surface ships. It provided the command and control, sensor data transfer, data link operations and built-in test functionality. It supports anti-submarine warfare and anti-ship surveillance and targeting missions. This hardware is unclassified. The purchase currently has the AN/SRQ-4 on 5 of their surface ships.

5. The version of the MK 54 Lightweight Torpedo involved in this is the MK 54 Mod 0. Although the MK 54 Mod 0 is considered state-of-the art technology, there is no Critical Program Information associated with the MK 54 Mod 0 Light Weight Torpedo hardware, technical documentation, or software. The highest classification of the hardware to be exported is SECRET. The highest classification of the technical manual that will be exported is confidential; which is required for the operation and maintenance of the MK 54 Mod 0 Lightweight Torpedo. The highest classification of the software to be exported is SECRET. The MK 54 Mod 0 Lightweight Torpedo meets Anti-Tamper Requirements. The purchaser currently does not have this weapon system in its inventory; however they have the previous version, the MK 46 Lightweight Torpedo.

6. The following MK 54 components and support equipment being conveyed by the proposed sale that is considered sensitive and are classified SECRET include: MK 54 LWT hardware, MK 695 Torpedo System Test Set Software, Torpedo Firing Evaluation equipment Software, and Data Analysis Tool Set software. The Classified MK 54 Publication with the proposed sale include: Torpedo MK 54 Mod 0 General Information Book, MK 54 Employment Manual, MK 20 Mod 1 Exploder Description, Operation, Maintenance, and Illustrated Parts Breakdown, and MK 440 Mod 1 Exploder Test Set Description, Operation and Illustrated Parts Breakdown.

7. The MK-36 Mod 6 Super Rapid Blooming Off-board Chaff (SRBOC) and Decoy Launching System is an unclassified shipboard, deck-mounted, 6 barrel mortar-type array that launched chaff countermeasures against a variety of threats. Following launch and dispersion, MK 36 SRBOC chaff and infrared countermeasure are designed to lure hostile missiles away from ships under attack by creating false target sets.

8. The Standard Missile-2 Block IIIB proposed in this purchase will be used for Anti-Air Warfare test firings during Combat System Ship Qualification Trials. The following Standard Missile-2 BLK IIIB components and support equipment being conveyed by the

proposed sale that is considered sensitive and are classified CONFIDENTIAL include completely assembled Standard Missile-2 BLK IIIB with or without a conventional warhead, whether a tactical, telemetry, or inert (training) configuration: Missile component hardware Guidance Section, Target Detection Device, Autopilot Battery Unit; SM-2 operator and maintenance documentation, shipboard operation/firing guidance. The purchaser currently has this missile in its inventory.

9. UHF SATCOM, the RT-1829 UHF SATCOM terminal is a commercially available SATCOM terminal that can provide ship-to-ship or ship-to-shore communications via voice or data connectivity. The device itself is CCI but is not classified until it is keyed with the proper keying material to enable secure communications. A single RT-1829 control interface can operate multiple voice and data communications nets simultaneously. The RT-1829 terminal is KITC and HAS certified to ensure compliance with legacy DAMA Mil-STDs. The purchaser currently has this UHF SATCOM on 5 of their surface ships.

10. The Link Level COMSEC (LLC) 7M device is a GOTS product which was developed by PEO C41/PMQ 150 in coordination with Raytheon and certified by the NSA. The device itself is CCI but is not classified until it is keyed with the proper keying material to enable secure communications via the LINK 22 system. It is a Type 1 COMSEC device which is intended to enable secure interoperable communications between the US, and NATO nations and Allied Forces via the LINK 22 System. Each device is handled by only the USG and the partner Nations COMSEC Custodians/Managers per the FMS agreement and no nation has the ability to tamper with or manipulate/maintain the system. The purchaser has previously purchased the LLC 7M for future integration with LINK 22 on many of their warships.

11. If a technologically advanced adversary were to obtain knowledge of specific hardware, the information could be used to develop countermeasures which might reduce weapons system effectiveness or be used in the development of a system with similar or advanced capabilities.

12. A determination has been made that Spain can provide substantially the same degree of protection for sensitive technology being released as the U.S. Government. This proposed sustainment program is necessary to the furtherance of the U.S. foreign policy

and national security objectives outlined in the Policy Justification.

13. All defense articles and services listed on this transmittal are authorized for release and export to the Government of Spain.

[FR Doc. 2018-16324 Filed 7-30-18; 8:45 am]

BILLING CODE 5001-06-P

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 18-0D]

Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense.

ACTION: Arms sales notice.

SUMMARY: The Department of Defense is publishing the unclassified text of an arms sales notification.

FOR FURTHER INFORMATION CONTACT:

DSCA at dsca.ncr.lmo.mbx.info@mail.mil or (703) 697-9709.

SUPPLEMENTARY INFORMATION: This 36(b)(5)(C) arms sales notification is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 18-0D.

Dated: July 26, 2018.

Shelly E. Finke,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5001-06-P