Transmittal No. 18–26
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 is a multi-mission combat system providing Integrated Air and Missile Defense (IAMD) capability for surface ship combatants. This sale involves the procurement of development site equipment to support the Australian Surface Combatant Program. The equipment will be installed in U.S.-based development and testing site locations to support the continued development of the AEGIS Combat System for the Australia Surface Combatant Programs. A subsequent LOR is anticipated for procurement of combat system equipment to be exported to Australia for installation on their future surface combatants.

2. AEGIS Weapon System simulation software, documentation, training and study material will be provided a classification levels up to and including SECRET.

3. No delivery of restricted information will be provided under this LOR. Delivery of sensitive technological information, up to and including SECRET, will be limited to the minimum level of information required to progress activities associated with the integration of indigenous combat system systems into the AEGIS Combat System. This consists primarily of AEGIS Combat System requirements and integration information to support early combat system development activities, in the form of documentation, simulation software, and technical specifications. This information is sensitive as it provides limited insight into AEGIS Combat System capabilities and requirements—as tailored to the Australian AEGIS Combat System configurations.

4. 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.

5. A determination has been made that Australia 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.

6. All defense articles and services listed on this transmittal are authorized for release and export to Australia.

DEPARTMENT OF DEFENSE
Office of the Secretary

[Transmittal No. 18–13]

Arms Sales Notification


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 18–13 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
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. 18-13, concerning the Air Force’s proposed Letter(s) of Offer and Acceptance to the Government of Germany for defense articles and services estimated to cost $1.4 billion. 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
Notice of Proposed Issuance of Letter of Offer for KC–130J Aircraft

(i) Prospective Purchaser: Government of Germany

(ii) Total Estimated Value:

Major Defense Equipment * $ .75 billion
Other ........................................... $ .65 billion

TOTAL ................................. $1.40 billion

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

Major Defense Equipment (MDE):
Three (3) C–130J–30 Aircraft with four (4) each Rolls Royce AE–2100D Turboprop Engines (installed)
Three (3) KC–130J Aircraft with four (4) each Rolls Royce AE–2100D Turboprop Engines (installed)
Four (4) Rolls Royce AE 2100D Turboprop Engines (spares)
Eight (8) Link-16 MIDS Terminals (one (1) per aircraft, plus two (2) spares)

Non-MDE: Also includes eight (8) AN/ALE 47 Electronic Countermeasure Dispensers (1 per aircraft, plus 2 spares); eight (8) AN/AAR–47A(V)2 Missile Warning Systems (1 per aircraft, plus spares); eight (8) AN/ALR–56M Radar Warning Receivers (1 per aircraft, plus 2 spares); eight (8) MX–20 Electro-Optical/Infrared Imaging Systems (1 per aircraft, plus 2 spares); eight (8) AN/PRC–115 Identification Friend or Foe (IFF) Mode 5; Joint Mission Planning System (JMPS); secure communications; precision navigation and cryptographic equipment; night vision devices; support and test equipment; publications and technical documentation; personnel training and training equipment; U.S. Government and contractor engineering; technical and logistics support services; and other related elements of logistical and program support.

(iv) Military Department: Air Force

(v) Prior Related Cases, if any: None

(vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None

(vii) Sensitivity of Technology

(a) Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex

(b) Date Report Delivered to Congress: May 4, 2018

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

POLICY JUSTIFICATION


The Government of Germany has requested to buy three (3) C–130J–30 aircraft with four (4) each Rolls Royce AE–2100D turboprop engines (installed); three (3) KC–130J aircraft with four (4) each Rolls Royce AE–2100D turboprop engines (installed); four (4) Rolls Royce AE 2100D turboprop engines (spares); and eight (8) Link-16 MIDS Terminals (one (1) per aircraft, plus two (2) spares). Also includes eight (8) AN/ALE 47 Electronic Countermeasure Dispensers (1 per aircraft, plus 2 spares); eight (8) AN/AAR–47A(V)2 Missile Warning Systems (1 per aircraft, plus spares); eight (8) AN/ALR–56M Radar Warning Receivers (1 per aircraft, plus 2 spares); eight (8) MX–20 Electro-Optical/Infrared Imaging Systems (1 per aircraft, plus 2 spares); AN/APX–114/119 Identification Friend or Foe (IFF) Mode 5; Joint Mission Planning System (JMPS); secure communications; precision navigation and cryptographic equipment; night vision devices; support and test equipment; publications and technical documentation; personnel training and training equipment; U.S. Government and contractor engineering; technical and logistics support services; and other related elements of logistical and program support. The total estimated value is $1.40 billion.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a NATO ally which is an important force for political and economic stability in Europe. The proposed sale will increase the airlift, air refueling, and air drop capabilities of the German Air Force. Providing these capabilities to the German Air Force will greatly increase interoperability between the U.S. Air Force and the German Air Force as well as other NATO allies.

The German Air Force will use these aircraft to conduct airlift, air refueling, and air drop missions as part of a German-French alliance based in Evreux, France. This common air transport squadron will have unrestricted exchange of aircraft, air crews, and maintainers, as well as technical and logistical support based on a common pool of spare parts and a common service support contract. These exchanges would be carried out pursuant to separate authorizations from the United States. The C–130Js will provide crucial air refueling capability to German and French fighter and light transport aircraft, as well as helicopters. Germany requests these capabilities to provide for the support of its deployed troops, regional security, and interoperability with France and the United States. Germany will have no difficulty absorbing these aircraft into its armed forces.

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

The prime contractor will be Lockheed Martin, Ft Worth, TX. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale may require multiple trips but no long-term stationing for U.S. contractor representatives to Germany and potentially deployed locations to provide initial launch recovery, and maintenance support.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.
that which is necessary for the
operation, maintenance, and repair
(through intermediate level) of the data
link terminal, installed systems, and
related software.

4. The AN/ALE–47 Counter-Measures
Dispensing System (CMOS) is an
integrated, threat-adaptive, software-
programmable dispensing system
capable of dispensing chaff, flares, and
active radio frequency expendables. The
threats countered by the CMOS include
radar-directed anti-aircraft artillery
(AAA), radar command-guided missiles,
radar homing guided missiles, and
infrared (IR) guided missiles. The
system is internally mounted and may
be operated as a stand-alone system or
may be integrated with other on-board
EW and avionics systems. The AN/
ALE–47 uses threat data received over
the aircraft interfaces to assess the threat
situation and to determine a response.
Expendable routines tailored to the
immediate aircraft and threat
environment may be dispensed using
one of four operational modes.

5. The AN/AAR–47A(V)2 Missile
Warning System is a small, lightweight,
passive, electro-optic, threat warning
device used to detect surface-to-air
missiles fired at helicopters and low-
lying fixed-wing aircraft and
automatically provide countermeasures,
as well as audio and visual-sector
warning messages to the aircrew. The
basic system consists of multiple
Optical Sensor Converter (OSC) units, a
Computer Processor (CP) and a Control
Indicator (CI). The set of OSC units,
which normally consist of four, is
mounted on the aircraft exterior to
provide omni-directional protection.
The OSC detects the rocket plume of
missiles and sends appropriate signals
to the CP for processing. The CP
analyses the data from each OSC and
automatically deploys the appropriate
countermeasures. The CP also contains

comprehensive BIT circuitry. The CI
displays the incoming direction of the
threat, so that the pilot can take
appropriate action. Hardware is
UNCLASSIFIED. Technical data and
documentation to be provided is
UNCLASSIFIED.

6. The AN/ALR–56M Advanced Radar
Warning Receiver continuously detects
and intercepts RF signals in certain
frequency ranges and analyzes and
separates threat signals from non-threat
signals. It contributes to full-
dimensional protection by providing
individual aircraft probability of
survival through improved aircrew
situational awareness of the radar
guided threat environment. The ALR–
56M is designed to provide improved
performance in a dense signal
environment and improved detection of
modern threats signals. Hardware is
UNCLASSIFIED. Technical data and
documentation to be provided is
UNCLASSIFIED.

7. An AN/APX–114/119 Identification
Friend or Foe (IFF) combined
transponder interrogator system is
UNCLASSIFIED unless Mode 4 or 5
operational evaluator parameters, which
are SECRET, are loaded into the
equipment.

8. Joint Mission Planning System
(JMPS) is a multi-platform PC based
mission planning system. JMPS
hardware is UNCLASSIFIED but the
software is classified up to SECRET.

9. This sale will involve the release of
sensitive and/or classified cryptographic
equipment for secure communications
radios, precision navigation, and
cryptographic appliques and keying
equipment. The hardware is
UNCLASSIFIED, except where systems
are loaded with cryptographic software,
which may be classified up to SECRET.

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

11. A determination has been made
that the recipient country can provide
substantially the same degree of
protection for the sensitive technology
being released as the U.S. Government.
This sale is necessary in furtherance of
the U.S. foreign policy and national
security objectives outlined in the
Policy Justification.

12. All defense articles and services
listed in this transmittal are authorized
for release and export to the
Government of Germany.

BILLING CODE 5001–06–P

DEPARTMENT OF DEFENSE

Office of the Secretary

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.

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Dated: July 26, 2018.

Shelly E. Finke,
Alternate OSD Federal Register Liaison
Officer, Department of Defense.

BILLING CODE 5001–06–P