82 or BLU–111 5001b Inert Fill Bombs, four hundred (400) MK–82 or BLU–111 5001b Bomb Bodies, four hundred (400) FMU–152 Joint Programmable Fuzes, six (6) AN/AQX–33 Sniper Pods, fourteen (14) Joint Helmet Mounted Cueing System II; fourteen (14) AN/ALQ–213 Electronic Warfare Management Systems; sixteen (16) AN/ALQ–211 Advanced Integrated Defensive Electronic Warfare Suites; sixteen (16) AN/ALE–47 Countermeasure Dispensers; Advanced Identification Friend or Foe (AIFF), Secure Communications and Cryptographic Appliances; Joint Mission Planning System (JMPS); ground training device (flight simulator); Electronic Combat International Security Assistance Program (ECISAP); support; software and support; facilities and construction support; spares and repair/replace parts; personnel training and training equipment; publications and technical documentation; missile containers; DSU–38A/B Laser Illuminated Target Detector (GBU–54); munition support and test equipment; aircraft and munition integration and test support; studies and surveys; U.S. Government and contractor technical, engineering and logistical support services; and other related elements of logistics and program support. The estimated total cost was $2.91 billion. Major Defense Equipment (MDE) constituted $2.01 billion of this total.

This transmittal notifies the addition of:

1. Two (2) F110 General Electric or F100 Pratt & Whitney engines (MDE);
2. Four (4) Improved Programmable Display Generators (iPDG) (MDE);
3. Four (4) Modular Mission Computers (MDE);
4. Four (4) Link-16 Multifunctional Information Distribution System-JTRS (MDE);
5. Ninety-six (96) MXU–650C/B Airfoil Groups (MDE);
6. Ninety-six (96) MAU–209C/B or MAU–169D Computer Control Groups (MDE);
7. Twelve (12) Guidance Units for AIM–9X–2 Tactical Missiles (MDE);
8. Twelve (12) Guidance Units for AIM–9X–2 CATM (MDE);
9. Thirty (30) Captive Air Training Missiles (CATM)-120C (non-MDE);
10. Twelve (12) Joint Helmet Mounted Cueing System II (JHMCS II) (non-MDE);
11. Twenty (20) Aviator Night Vision Device (NVD) AN/AVS–9 (non-MDE)
12. AIM–120 CATMS are non-functioning, inert missile rounds that simulate the correct weight and balance of live missiles; they are used for armament loading and unloading training as well as flown captive carry on training sorties.

The Sensitivity of Technology statement contained in the original AECA 36(b)(1) transmittal applies to all other MDE items reported here.

Date Report Delivered to Congress: October 17, 2018

[FR Doc. 2018–24413 Filed 11–7–18; 8:45 am]

DEPARTMENT OF DEFENSE
Office of the Secretary

[Transmittal No. 18–37]

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.ncri.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 18–37 with attached Policy Justification and Sensitivity of Technology.

Dated: November 2, 2018.

Aaron T. Siegel,
Alternate OSD Federal Register Liaison Officer, Department of Defense.
The Honorable Paul D. Ryan  
Speaker of the House  
U.S. House of Representatives  
H-209, The Capitol  
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. 18–37, concerning the Navy’s proposed Letter(s) of Offer and Acceptance to the Government of the United Kingdom for defense articles and services estimated to cost $75 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. 18-37  
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:

<table>
<thead>
<tr>
<th>Description and Quantity of Articles or Services under Consideration for Purchase:</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Defense Equipment (MDE): Fifty (50) MK 15 Phalanx Close-In Weapon System (CIWS) Block IB Baseline 2 Upgrade Kits</td>
<td>$57 million</td>
</tr>
<tr>
<td>Non-MDE: Also included are support equipment, test equipment, initial spare parts, technical documentation, training, and engineering technical assistance, and other related elements of logistics and program support.</td>
<td>$18 million</td>
</tr>
<tr>
<td>Total</td>
<td>$75 million</td>
</tr>
</tbody>
</table>

(iv) Military Department: Navy (UK–P–LWD)  
(vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None
Representatives to participate in program

Government and contractor will require multiple trips by U.S. potential sale.

There are no known offset agreements proposed in connection with this

Raytheon Missile Systems, Tucson, AZ.

military balance in the region.

and support will not alter the basic

earlier versions of the MK 15 Phalanx in

against air and surface threats onboard

The proposed sale of the Phalanx

armored vehicles to defeat anti-ship missiles;

Weapon System (CIWS) Baseline 2

MK 15 Phalanx Close-in Weapon System

The proposed sale will support U.S.

The highest classification of the

upgrade and support into its armed forces.

The proposed sale of this equipment

The prime contractor will be

There are no known offset agreements

Implementation of this proposed sale

Government and contractor

and technical reviews, plus training and

maintainance support in country as required.

There will be no adverse impact on

U.S. defense readiness as a result of this

Transmittal No. 18–37

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 MK15 Phalanx Close-in

Weapon System (CIWS) consists of a

rapid-fire, computer-controlled radar

and gun system mounted on a turret

designed to defeat anti-ship missiles;

small surface craft; low, slow aircraft;

rockets; and mortars. The weapon

system automatically carries out search,

detection, target threat evaluation,

tracking, firing, and kill loop fire control

that uses advanced radar and computer

technology to locate, identify, and direct

a system of armor piercing projectiles to

the target. The Phalanx Block IB

Baseline 2 Radar Upgrade Kits converts

the system’s radar from an analog to
digital suite, significantly improving

obsolescence of hardware. Some

performance in range, speed,

maneuverability, and organic sensor

capabilities will be enhanced over the

existing UK Phalanx system. These kits

will allow for the UK to upgrade its

current Block IB Baseline 1 systems via

approved in-country Depot-Level

Maintenance Facility (DLMF) capability.

The highest classification of the

hardware in the proposed sale is

SECRET. The highest classification of the

technical documentation in the

proposed sale is SECRET. The highest

classification of the operational software
to be exported is SECRET.

2. 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.

3. 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.

4. All defense articles and services

listed in this transmittal are authorized

for release and export to the

Government of the United Kingdom.

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 18–22]

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@mil or (703) 697–9709.

SUPPLEMENTARY INFORMATION: This

36(b)(1) arms sales notification is

published to fulfill the requirements of

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18–22 with attached Policy Justification

and Sensitivity of Technology.

Dated: November 2, 2018.

Aaron T. Siegel,

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Officer, Department of Defense.