

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/AAQ-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 Appliques; 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)

The additional MDE items are valued at \$30.6 million but will not result in a change to the notified total MDE value of the case. The total case value remains \$2.91 billion.

(iv) *Significance*: This notification is provided to report the inclusion of MDE items and non-MDE item which represents an increase in capability over that previously notified. At the time of the original notification, the purchasing country had not finalized exact quantities of certain items. Further technical discussions highlighted the need for NVDs and additional spare items, training missiles, guided bomb kit components, and helmets. The additional items provide Slovakia with the necessary equipment to support the requested capability.

(v) *Justification*: This proposed sale will support the foreign policy and national security of the United States by helping to improve the security of a NATO ally. The proposed additions will support Slovakia's F-16 program, which will modernize its Air Force and strengthen its homeland defense.

(vi) *Sensitivity of Technology*: AN/AVS-9 NVDs are third generation aviation NVDs offering higher resolution, high gain, and photo response to near-infrared. Hardware is UNCLASSIFIED and technical data and documentation to be provided are UNCLASSIFIED.

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.

(vii) *Date Report Delivered to Congress*: October 17, 2018

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

**BILLING CODE 5001-06-P**

## DEPARTMENT OF DEFENSE

### Office of the Secretary

[Transmittal No. 18-37]

### 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](mailto: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 18-37 with attached Policy Justification and Sensitivity of Technology.

Dated: November 2, 2018.

**Aaron T. Siegel,**

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



DEFENSE SECURITY COOPERATION AGENCY  
 201 12<sup>TH</sup> STREET SOUTH, STE 203  
 ARLINGTON, VA 22202-5408

SEP 19 2018

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:*

Major Defense Equipment *	\$57 million
Other .....	\$18 million
<b>Total .....</b>	<b>\$75 million</b>

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

*Major Defense Equipment (MDE):*  
 Fifty (50) MK 15 Phalanx Close-In Weapon System (CIWS) Block IB Baseline 2 Upgrade Kits

*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.

(iv) *Military Department:* Navy (UK-P-LWD)

(v) *Prior Related Cases, if any:* UK-P-BRB, UK-P-FBH, UK-P-FBR, UK-P-GAH, UK-P-JZO, UK-P-KAX, UK-P-KPM, UK-P-KPQ, UK-P-LFK, UK-P-LGP, UK-P-LHD, and UK-P-LHO

(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:* September 19, 2018

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

#### POLICY JUSTIFICATION

##### *United Kingdom—Phalanx Baseline 2 Radar Upgrade Kits*

The Government of the United Kingdom (UK) has requested to buy fifty (50) MK 15 Phalanx Close-in Weapon System (CIWS) Block IB Baseline 2 Upgrade Kits. 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. The total estimated program cost is \$75 million.

This proposed sale will support U.S. foreign policy and national security objectives of the United States by improving 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 of the Phalanx Baseline 2 Radar Upgrade Kits will be used for close-in ship self-defense against air and surface threats onboard the UK's naval combatants and auxiliaries. The UK, which already has earlier versions of the MK 15 Phalanx in its inventory, will have no difficulty absorbing these upgrades 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 contractor will be Raytheon Missile Systems, Tucson, AZ. 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 as required.

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

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.

[FR Doc. 2018-24417 Filed 11-7-18; 8:45 am]

BILLING CODE 5001-06-P

## 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@mail.mil](mailto: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 18-22 with attached Policy Justification and Sensitivity of Technology.

Dated: November 2, 2018.

**Aaron T. Siegel,**

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