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**DEPARTMENT OF DEFENSE**

**Office of the Secretary**

**[Transmittal No. 16-19]**

**36(b)(1) Arms Sales Notification**

**AGENCY:** Department of Defense, Defense Security Cooperation Agency.

**ACTION:** Notice.

**SUMMARY:** The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

**FOR FURTHER INFORMATION CONTACT:** Heather N. Harwell, DSCA/LMO, (703) 697-9217.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 16-19 with attached Policy Justification and Sensitivity of Technology.

Dated: May 2, 2016.

Aaron Siegel,  
Alternate OSD Federal Register Liaison Officer,  
Department of Defense.



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

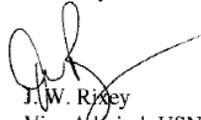
APR 21 2016

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. 16-19 concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance to the Government of Australia for defense articles and services estimated to cost \$1.22 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,



J.W. Rixey  
Vice Admiral, USN  
Director

Enclosures:

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



Transmittal No. 16-19

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 Australia

(ii)	<u>Total Estimated Value:</u>	
	Major Defense Equipment*	\$1.08 billion
	Other	\$ .14 billion
	TOTAL	<hr/> \$1.22 billion

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

Major Defense Equipment (MDE):

Up to 450 Advanced Medium-Range Air-to-Air Missiles (AIM-120D)

Up to 34 AIM-120D Air Vehicles Instrumented (AAVI)

Up to 6 Instrumented Test Vehicles (ITVs)

Up to 10 spare AIM-120 Guidance Sections (GSs)

Non-MDE:

This request also includes the following Non-MDE: containers, weapon system support equipment, support and test equipment, site survey, transportation, repair and return warranties, spare and repair parts, publications and technical data, maintenance, personnel training, and training equipment, U.S. Government and contractor representative engineering, logistics, and technical support services, and other related elements of logistics support.

(iv) Military Department: Air Force (YLD)

(v) Prior Related Cases, if any: AT-D-YKX-01 DEC 98, AT-D-YLB-06 OCT- 11  
AT-D-YLC-25 FEB-15

(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 Annex attached

(viii) Date Report Delivered to Congress: 21 April 2016

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

### POLICY JUSTIFICATION

#### Australia – AIM-120D Advanced Medium-Range Air-to-Air Missiles:

The Government of Australia requested a possible sale of:

#### Major Defense Equipment (MDE):

Up to 450 Advanced Medium-Range Air-to-Air Missiles (AIM-120D)

Up to 34 AIM-120D Air Vehicles Instrumented (AAVI)

Up to 6 Instrumented Test Vehicles (ITVs)

Up to 10 spare AIM-120 Guidance Sections (GSs)

This request also includes the following Non-MDE: containers, weapon system support equipment, support and test equipment, site survey, transportation, repair and return warranties, spare and repair parts, publications and technical data, maintenance, personnel training, and training equipment, U.S. Government and contractor representative engineering, logistics, and technical support services, and other related elements of logistics support.

The total estimated value of MDE is \$1.08 billion. The total overall estimated value is \$1.22 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 strategic partner and major contributor to political stability, security, and economic development in the Pacific region and globally.

This proposed sale is in support of the Royal Australian Air Force's (RAAF) F/A-18, E/A-18G, and F-35 aircraft. This proposed sale will provide the RAAF additional air-to-air intercept capability and increase interoperability with the U.S. Air Force. Australia 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 for production is Raytheon in Tucson, Arizona. The principal contractor for integration is unknown and will be determined during contract negotiations. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this sale will not require the assignment of any additional U.S. or contractor representatives to Australia.

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

Transmittal No. 16-19

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 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.
2. AIM-120D features a target detection device with embedded electronic countermeasures, 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.
3. 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.
4. 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.

5. All defense articles and services listed in this transmittal have been authorized for release and export to the Government of Australia.

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