



Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 17-12]

Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense.

ACTION: Notice.

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

FOR FURTHER INFORMATION CONTACT: Kathy Valadez, (703) 697-9217 or Pamela Young, (703) 697-9107; DSCA/DSA-RAN.

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 17-12 with attached Policy Justification and Sensitivity of Technology.

Dated: July 13, 2017.

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

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

JUN 23 2017

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. 17-12, concerning the Air Force's proposed Letter(s) of Offer and Acceptance to the Government of Australia for defense articles and services estimated to cost \$1.3 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,

A handwritten signature in black ink, appearing to read "J. W. Rixey".

J. W. Rixey
Vice Admiral, USN
Director

Enclosures:

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



Transmittal No. 17-12

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) Total Estimated Value:

Major Defense Equipment*	\$0.04 billion
Other	<u>\$1.26 billion</u>
TOTAL	\$1.30 billion

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

The Government of Australia requested the sale of up to five (5) Gulfstream G-550 aircraft modified to integrate Airborne Intelligence, Surveillance, Reconnaissance, and Electronic Warfare (AISREW) mission systems, Global Positioning System (GPS) capability, secure communications, aircraft defensive systems, and whole life costs of airborne and ground segments.

This proposed sale includes up to five (5) AN/AAQ-24 (V)N Large Aircraft Infrared Countermeasures (LAIRCM) systems, and additional sub-component spares. Each prime LAIRCM system will consist of: one (1) Guardian Laser Terminal Assemblies (GLTA), five (5) Infrared Missile Warning Sensors, (IRMWS), one (1) LAIRCM System Processor Replacements (LSPR) MDE items, one (1) LAIRCM System Processor Replacements (LSPR), one (1) Control Indicator Unit Replacement (CIUR), one (1) Smart Card Assembly (SCA), one (1) High Capacity Card (HCC), and one (1) User Data Memory (UDM) card. Also included are: MX-20 HD Electro-Optical and Infrared systems, Osprey 50 AESA Radars, AISREW equipment, secure communications equipment, and Identification Friend or Foe (IFF) Systems. These systems will be installed on up to five (5) G-550 aircraft.

Major Defense Equipment (MDE):

Eight (8) GLTA AN/AAQ-24 (V)N (5 installed and 3 spares)

Twenty-nine (29) IRMWS (25 installed and 4 spares)

Six (6) LSPR AN/AAQ-24 (V)N (5 installed and 1 spare)

Six (6) Embedded/GPS/INS (EGI) with GPS Security Devices, Airborne (5 installed and 1 spare)

Seven (7) Multifunctional Information Distribution Systems – Joint Tactical Radio System (MIDS JTRS) (5 installed and 2 spares)

Non-MDE includes:

Also included in this sale are up to five (5) G-550 Aircraft, CIURs, SCAs, HCCs and UDM cards, AN/ALE-47 Countermeasure Dispenser Sets (CMDS), MX-20HD Electro-

Optical and Infra-Red systems, Osprey 50 AESA Radars, AISREW ISR equipment, Secure Communications equipment, Identification Friend or Foe Systems, aircraft modification and integration, ground systems for data processing and crew training, ground support equipment, publications and technical data, U.S. Government and contractor engineering, technical and logistics support services, flight test and certification, and other related elements of logistical and program support.

(iv) Military Department: Air Force (QCS)

(v) Prior Related Cases, if any: AT-D-SAA & AT-D-GCA

(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: 23 JUN 2017

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

POLICY JUSTIFICATION

Australia–Gulfstream G550 Aircraft with Airborne Intelligence, Surveillance, Reconnaissance, and Electronic Warfare (AISREW) Mission Systems

The Government of Australia requested the possible sale of up to five (5) Gulfstream G-550 aircraft modified to integrate Airborne Intelligence, Surveillance, Reconnaissance, and Electronic Warfare (AISREW) mission systems, Global Positioning System (GPS) capability, secure communications, aircraft defensive systems; spares, including whole life costs of airborne and ground segments; aircraft modification and integration; ground systems for data processing and crew training; ground support equipment; publications and technical data; U.S. Government and contractor engineering, technical and logistics support services; flight test and certification; and other related elements of logistical and program support. The total estimated program cost is \$1.3 billion.

This sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a major contributor to political stability, security, and economic development in the Western Pacific. Australia is an important Major non-NATO Ally and partner that contributes significantly to peacekeeping and humanitarian operations around the world. It is vital to the U.S. national interest to assist our ally in developing and maintaining a strong and ready self-defense capability.

The proposed sale supports and complements the ongoing efforts of Australia to modernize its Electronic Warfare capability and increases interoperability between the U.S. Air Force and the Royal Australian Air Force (RAAF). Australia will have no difficulty absorbing this equipment into its armed forces.

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

The prime contractors will be L3 of Greenville, TX. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale may require the assignment of up to six (6) U.S. contractor representatives to Australia.

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

Transmittal No. 17-12

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control ActAnnex
Item No. vii(vii) Sensitivity of Technology:

1. This sale will involve the release of sensitive technology to Australia. Sensitive and/or classified (up to SECRET) elements of the proposed sale include the AN/AAQ-24 (V)N Large Aircraft Infrared Countermeasures (LAIRCM) systems, Embedded/GPS/INS (EGI) with security devices, Airborne, Multifunctional Information Distribution Systems – Joint Tactical Radio System (MIDS JTRS), AN/ALE-47 Countermeasure Dispenser Set (CMDS), MX-20HD Electro-Optical and Infra-Red systems, Osprey 50 AESA Radars, and Airborne Intelligence, Surveillance, Reconnaissance and Electronic (AISREW) mission system.

2. The AN/AAQ-24 (V)N LAIRCM is a self-contained, directed energy countermeasures system designed to protect aircraft from infrared (IR)-guided surface-to-air missiles. The system features digital technology and micro-miniature solid state electronics. The system operates in all conditions, detecting incoming missiles and jamming infrared-seeker equipped missiles with aimed bursts of laser energy. The LAIRCM system consists of multiple Infrared Missile Warning System (IRMWS) Sensors, Guardian Laser Turret Assembly (GLTA), LAIRCM System Processor Replacement (LSPR), Control Indicator Unit Replacement (CIUR), and a classified High Capacity Card (HCC), and User Data Memory (UDM) card. The HCC is loaded into the CIUR prior to flight. When the classified HCC is not in use, it is removed from the CIUR and placed in onboard secure storage. LAIRCM Line Replaceable Unit (LRU) hardware is classified SECRET when the HCC is inserted into the CIUR. LAIRCM system software, including Operational Flight Program is classified SECRET. Technical data and documentation to be provided are UNCLASSIFIED.

The set of IRMWS Sensor units are mounted on the aircraft exterior to provide omni-directional protection. The IRMWS Sensor warns of threat missile approach by detecting radiation associated with the rocket motor. The IRMWS is a small, lightweight, passive, electro-optic, threat warning device used to detect surface-to-air missiles fired at helicopters and low-flying fixed-wing aircraft and automatically provides countermeasures, as well as audio and visual warning messages to the aircrew. The basic system consists of multiple IRMWS Sensor units, one (1) GLTA, LSPR and CIUR. The set of IRMWS units (each A-330 MRTT has five (5)) mounted on the aircraft exterior to provide omni-directional protection. Hardware is UNCLASSIFIED. Software is SECRET. Technical data and documentation to be provided are UNCLASSIFIED.

3. Multifunctional Information Distribution System-Joint Tactical Radio System (MIDS JTRS) is an advanced Link-16 command, control, communications, and intelligence (C3I) system incorporating high-capacity, jam-resistant, digital communication links for exchange of near real-time tactical information, including both data and voice, among air, ground, and sea elements. The MIDS JTRS terminal hardware, publications, performance specifications, operational capability, parameters, vulnerabilities to countermeasures, and software documentation are classified CONFIDENTIAL. The classified information to be provided consists of 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 Countermeasure Dispenser Set (CMDS) provides an integrated threat-adaptive, computer controlled capability for dispensing chaff, flares, and active radio frequency expendables. The AN/ALE-47 system enhances aircraft survivability in sophisticated threat environments.

The threats countered by the CMDS 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 Electronic Warfare (EW) and avionics systems. The AN/ALE-47 uses threat data received over the aircraft interfaces to assess the threat situation and determine a response. Expendable routines tailored to the immediate aircraft and threat environment may be dispensed using one of four operational modes. Hardware is UNCLASSIFIED. Software is SECRET. Technical data and documentation to be provided is UNCLASSIFIED.

5. The Embedded GPS-INS (EGI) LN-200 is a sensor that combines GPS and inertial sensor inputs to provide accurate location information for navigation and targeting. The EGI LN-200 is UNCLASSIFIED. The GPS crypto-variable keys needed for the highest GPS accuracy are classified up to SECRET.

6. Wescam MX-20HD is a gyro-stabilized, multi-spectral, multi-field of view Electro-Optical/Infrared (EO/IR) system. The systems provide surveillance laser illumination and laser designation through use of an externally mounted turret sensor unit and internally mounted master control. Sensor video imagery is displayed in the aircraft real time and may be recorded for subsequent ground analysis. Hardware is UNCLASSIFIED. Technical data and documentation to be provided is UNCLASSIFIED.

7. The Osprey family of surveillance radars provides second generation Active Electronically Scanned Array (AESA) surveillance capability as the primary sensor on airborne assets. The Osprey radars are at a high technology readiness level and are in production for fixed and rotary wing applications. This Osprey configuration employs a side-looking radar. Osprey radars provide a genuine multi-domain capability, with high performance sea surveillance, notably against "difficult targets, land surveillance with wide swath, very high resolution ground mapping small and low speed ground target indication, high performance air to air surveillance, tracking and intercept.

8. The AISREW mission system provides near-real-time information to tactical forces, combatant commanders and national-level authorities across the spectrum of conflict. The mission system can forward gathered information in a variety of formats via secured communications systems. Most hardware used in this AISREW system is generic and commercially available. However, if any of the specialized hardware or publications are lost, the information could provide insight into many critical U.S. capabilities. Information gained could be used to develop countermeasures as well as offensive and defensive counter-tactics.

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

10. A determination has been made that Australia 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.

11. All defense articles and services listed in this transmittal have been authorized for release and export to Australia.

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