



Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 17-34]

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: Pamela Young, (703) 697-9107, pamela.a.young14.civ@mail.mil or Kathy Valadez, (703) 697-9217, kathy.a.valadez.civ@mail.mil; 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 17-34 with attached Policy Justification and Sensitivity of Technology.

Dated: August 2, 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

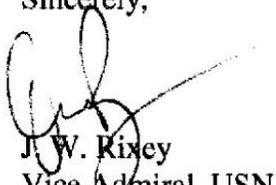
JUL 10 2017

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. 17-34, concerning the Navy's proposed Letter(s) of Offer and Acceptance to the Government of Australia for defense articles and services estimated to cost \$101.4 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,



J. W. Rixey
Vice Admiral, USN
Director

Enclosures:

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



Transmittal No. 17-34

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*	\$100.0 million
Other	<u>\$ 1.4 million</u>
TOTAL	\$101.4 million

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

Major Defense Equipment (MDE):

Thirty-two (32) Multifunctional Information Distribution Systems – Joint Tactical Radio System (MIDS JTRS) with four channel Concurrent Multi-Network (CMN-4)
Thirty-nine (39) AN/ALQ-214A(V)4 Countermeasure Systems

Non-MDE includes:

Also included in this sale are system integration and testing, software development/integration, test sets and support equipment, spare and repair parts, publications and technical documents, U.S. Government and contractor technical assistance, and other related elements of logistical and program support.

(iv) Military Department: Navy (XX-P-GQF A1)

(v) Prior Related Cases, if any:

AT-P-SAF - \$2.2B – 02 May 07 (F/A-18F aircraft procurement)
AT-P-GQY - \$358M – 6 May 11 (first AF/A-18F sustainment)
AT-P-LEN - \$992M – 13 September 12 (Airborne Electronic Attack kit procurement)
AT-P-SCI - \$1.3B – 4 July 13 (EA-18G aircraft procurement)

(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: July 10, 2017

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

POLICY JUSTIFICATION

Australia – Upgrades for F/A-18E/F Super Hornet Aircraft

The Government of Australia requested the possible sale of thirty-two (32) Multifunctional Information Distribution System Joint Tactical Radio System (MIDS JTRS) with four channel Concurrent Multi-Network (CMN-4), and thirty-nine (39) AN/ALQ-214A(V)4 Countermeasure Systems. This will also include all system integration and testing, component improvement, test and tools equipment upgrades, support equipment replenishment, supply support, publications and technical document updates, personnel training and training equipment upgrades, aircrew trainer device upgrades, U.S. Government and contractor technical assistance and other related elements of logistical and program support. The total estimated program cost is \$101.4 million.

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 will improve Australia's capability in current and future coalition efforts. This equipment will help the Royal Australian Air Force better communicate with and protect its F/A-18 aircraft, and the addition of MIDS JTRS will accomplish the goal of making U.S. and Australian aircraft more interoperable when supporting operational forces. 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 the Harris Corporation, Melbourne, FL. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale may require the assignment of U.S. contractor representatives to Australia which will be determined at a later date.

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

Transmittal No. 17-34

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. Multifunctional Information Distribution System (MIDS) Joint Tactical Radio System (JTRS) Concurrent Multi-Network (CMN-4) is classified CONFIDENTIAL. MIDS JTRS CMN-4 is a secure data and voice communication network using the Link-16 architecture. The system provides enhanced situational awareness, positive identification of participants with the network, secure fighter-to-fighter connectivity, and secure voice capability. It provides three major functions: Air Control, Wide Area Surveillance, and Fighter-to-Fighter. The MIDS JTRS CMN-4 can be used to transfer data in Air-to-Air, Air-to-Surface and Fighter-to-Fighter scenarios.
2. The AN/ALQ-214A(V)4 is an advanced airborne Integrated Defensive Electronic Countermeasures (IDECM) programmable modular automated system capable of intercepting, identifying, processing received radar signals (pulsed and continuous) and applying an optimum probability of survival from a variety of surface-to-air and air-to-air RF threats. The system operates in a standalone or Electronic Warfare (EW) suite mode. In the EW suite mode, the system operates various dispensable countermeasures and the onboard radar in the F/A-18E/F in a coordinated, non-interference manner, sharing information for enhanced information. The ALQ-214 was designed to operate in a high-density Electromagnetic Hostile Environment with the ability to identify and counter a wide variety of multiple threats including those with Doppler characteristics. Hardware with the AN/ALQ-214A(V)4 is classified CONFIDENTIAL.
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 or equivalent system which might reduce system effectiveness or be used in the development of a system with similar or advanced capabilities.
4. 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.
5. All defense articles and services listed in this transmittal have been authorized for release and export to Australia.

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