



Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 17-38]

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 or Kathy Valadez, (703) 697-9217; 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 17-38 with attached Policy Justification and Sensitivity of Technology.

Dated: August 23, 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

AUG 02 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. 17-38, concerning the Navy's proposed Letter(s) of Offer and Acceptance to the Government of Australia for defense articles and services estimated to cost \$108.7 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,

A handwritten signature in blue ink, appearing to read "G. M. Kausner", is positioned above the typed name.

Gregory M. Kausner
Acting Director

Enclosures:

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



Transmittal No. 17-38

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*	\$ 0.0 million
Other	<u>\$108.7 million</u>
TOTAL	\$108.7 million

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

Major Defense Equipment (MDE): None

Non-MDE includes:

One thousand nine hundred fifty-two (1,952) ALE-70(V)/T-1687A Electronic Towed Decoy Countermeasures, publications and technical documentation, other technical assistance, U.S. Government and contractor engineering, technical and logistics support services, and other related elements of logistical and program support.

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

(v) Prior Related Cases, if any: None

(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: August 2, 2017

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

POLICY JUSTIFICATION

Australia – ALE-70 Radio Frequency Countermeasures (RFCM)

The Government of Australia has requested the possible sale of one thousand nine hundred fifty-two (1,952) ALE-70(V)/T-1687A Electronic Towed Decoy Countermeasures, publications and technical documentation, other technical assistance, U.S. Government and contractor engineering, technical and logistics support services, and other related elements of logistical and program support. The total estimated program cost is \$108.7 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 non-NATO ally and continues to be an important force for political stability, security, and economic development in the Western Pacific. 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 F-35 survivability and will enhance its capability to deter global threats, strengthen its homeland defense, and cooperate in coalition defense initiatives. Australia will have no difficulty absorbing this equipment into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The principal contractor will be British Aerospace Enterprise (BAE), Nashua, NH. There are no offsets proposed in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government 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. 17-38

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. The ALE-70 is a towed radio frequency countermeasure designed for deployment from the F-35 aircraft and is comprised of electronic and mechanical sub-assemblies to accomplish the intended purpose. The ALE-70 consists of three major components: the reel/launcher assembly, the tow line, and the T-1687 countermeasure transmitter. Upon deployment from the aircraft, the countermeasure transmitter is reeled out to a prescribed distance, held in tow behind the jet by the tow line and emits waveforms in response to commands from the countermeasure controller located in the jet. The waveforms are utilized to confuse or decoy adversary radars or radar guided weapons. Designed and produced by BAE Systems of Nashua, New Hampshire, the ALE-70 employs amplifiers based on Gallium Nitride (GaN) technology to meet stringent output requirements.
2. The ALE-70 generates, amplifies, and transmits signals in response to commands from the countermeasures controller which remains aboard the jet. Neither the countermeasure transmitter nor the reel/launcher assembly contains stored information or software representing critical program information. As the ALE-70 contains no software or stored waveforms/techniques, Anti-Tampering security measures are not required. ALE-70 hardware is classified SECRET to protect specific data elements associated with the performance of the countermeasure.
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.