



Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 17-57]

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 17-57 with attached Policy Justification and Sensitivity of Technology.

Dated: November 28, 2017.

Aaron Siegel,

Alternate OSD Federal Register Liaison Officer,

Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, STE 206
ARLINGTON, VA 22202-6408

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

OCT 30 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. 17-57, concerning the Air Force's proposed Letter(s) of Offer and Acceptance to the Government of Canada for defense articles and services estimated to cost \$140 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 black ink, appearing to read "C. W. Hooper", written over a printed name and title.

Charles W. Hooper
Lieutenant General USA
Director

Enclosures:

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



Transmittal No. 17-57

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 Canada

(ii) Total Estimated Value:

Major Defense Equipment*	\$130 million
Other	<u>\$ 10 million</u>
TOTAL	\$140 million

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

Major Defense Equipment (MDE):

Up to thirty-two (32) AIM-120D Advanced Medium-Range Air-to-Air Missiles
(AMRAAM)

Up to eighteen (18) AMRAAM Captive Air Training Missiles (CATMs)

Up to four (4) AMRAAM Non-Development Item – Airborne Instrumentation Unit
(NDI-AIU)

Up to two (2) AMRAAM Instrumented Test Vehicles (ITV)

Up to seven (7) spare AMRAAM guidance units

Up to four (4) spare AMRAAM control sections

Non-MDE:

Included in the sale are containers; storage and preservation; transportation; aircrew and maintenance training; training aids and equipment, spares and repair parts; warranties; weapon system support and test equipment; publications and technical documentation; software development integration, and support; system integration and testing; U.S. Government and contractor engineering technical and logistics support; and other related elements of logistics and program support.

(iv) Military Department: Air Force (XX-D-YDG)

(v) Prior Related Cases, if any: CN-D-YAE for AIM-120 AMRAAMs; CN-D-QBU for in-service support for those AMRAAMs

(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: Oct 30, 2017

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

POLICY JUSTIFICATION

Canada – AIM-120D Advanced Medium Range Air-to-Air Missiles (AMRAAM)

The Government of Canada has requested a Letter of Offer and Acceptance for the procurement of up to thirty-two (32) AIM-120D Advanced Medium-Range Air-to Air Missiles (AMRAAMs), up to eighteen (18) AMRAAM Captive Air Training Missiles (CATMs); up to four (4) AMRAAM Non-Development Item – Airborne Instrumentation Unit (NDI-AIU); up to two (2) AMRAAM Instrumented Test Vehicles (ITV); up to seven (7) spare AMRAAM guidance units; up to four (4) spare AMRAAM control sections for use on their F/A-18 aircraft. Included in the sale are containers; storage and preservation; transportation; aircrew and maintenance training; training aids and equipment, spares and repair parts; warranties; weapon system support and test equipment; publications and technical documentation; software development, integration, and support; system integration and testing; U.S. Government and contractor engineering, technical, and logistics support; and other related elements of logistics and program support. The estimated total cost is \$140 million.

This proposed sale will contribute to the foreign policy and national security objectives of the United States by helping to improve the security of a NATO ally which has been, and continues to be, a key democratic partner of the United States in ensuring peace and stability. The missiles will be used on Royal Canadian Air Force (RCAF) fighter aircraft.

This proposed sale of defense articles and services is required to enable RCAF fighters to optimally fulfill both North American Aerospace Defense (NORAD) and NATO missions and also meets the U.S. Northern Command's goals of combined air operations interoperability and standardization between Canadian and U.S. forces. The RCAF will have no difficulty absorbing these missiles into its inventory.

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. The Government of Canada has advised that it will negotiate offset agreements in conjunction with this sale.

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

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

Transmittal No. 17-57

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 Advanced Medium Range Air-to-Air Missile (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, and 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 Canada 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 further the U.S. foreign policy and national security objectives outlined in the Policy Justification.
5. All defense articles and services listed on this transmittal are authorized for release and export to Canada.