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## **DEPARTMENT OF DEFENSE**

### **Office of the Secretary**

**[Transmittal No. 20-05]**

### **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:** Karma Job at [karma.d.job.civ@mail.mil](mailto:karma.d.job.civ@mail.mil) or (703) 697-8976.

**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 20-05 with attached Policy Justification and Sensitivity of Technology.

Dated: June 24, 2020.

**Aaron T. Siegel,**

*Alternate OSD Federal Register Liaison Officer,*

*Department of Defense.*



**DEFENSE SECURITY COOPERATION AGENCY**  
201 12<sup>TH</sup> STREET SOUTH, SUITE 101  
ARLINGTON, VA 22202-5408

April 30, 2020

The Honorable Nancy Pelosi  
Speaker of the House  
U.S. House of Representatives  
H-209, The Capitol  
Washington, DC 20515

Dear Madam 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. 20-05 concerning the Army's proposed Letter(s) of Offer and Acceptance to the Republic of the Philippines for defense articles and services estimated to cost \$1.5 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 "C. Hooper", is written over the typed name.

Charles W. Hooper  
Lieutenant General, USA  
Director

Enclosures:

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

Transmittal No. 20-05

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: Republic of the Philippines

(ii) Total Estimated Value:

Major Defense Equipment*	\$1.0 billion
Other	<u>\$.5 billion</u>
TOTAL	\$1.5 billion

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

Major Defense Equipment (MDE):

Six (6) AH-64E Apache Attack Helicopters  
Eighteen (18) T700-GE-701D Engines (12 installed, 6 spares)  
Fifteen (15) Honeywell Embedded Global Positioning Systems/Inertial Navigation (EGIs) w/Precise Positioning Service (PPS) (12 installed, 3 spares)  
Two hundred (200) AGM-114 Hellfire Missiles  
Twelve (12) M36E9 Hellfire Captive Air Training Missiles (CATM)  
Three hundred (300) Advanced Precision Kill Weapon System (APKWS) Kits  
One thousand seven hundred (1,700) Advanced Precision Kill Weapon System (APKWS) Guidance Sections  
Six (6) AN/ASQ-170 Modernized Target Acquisition and Designation Sight/AN/AAR-11 Modernized Pilot Night Vision Sensors (M-TADS/PNVS)  
Six (6) AN/APG-78 Fire Control Radars (FCR) with Radar Electronic Units (REU)  
Six (6) AN/APR-48B Modernized-Radar Frequency Interferometers (M-RFI)  
Eight (8) AAR-57 Common Missile Warning Systems (CMWS) (6 installed, 2 spares)  
Two hundred (200) FIM-92H Stinger Missiles  
Eight (8) Manned-Unmanned Teaming-2 (MUMT-2i) Video Receivers (6 installed, 2 spares)  
Eight (8) Manned-Unmanned Teaming-2 (MUMT-2i) Air-Air-Ground Kits (6 installed, 2 spares)

Non-MDE:

Also included are eight (8) AN/AVR-2B Laser Detecting sets (6 installed, 2 spares); eight (8) AN/APR-39C(V)l+ Radar Signal Detecting sets (6 installed, 2 spares); fourteen (14) Single Channel Ground and Airborne Radio Systems (SINCGARS) radios (12 installed, 2 spares); fourteen (14) UHF/VHF/LOS airborne radios (12 installed, 2 spares); eight (8) AN/APX-123A (V) Common Transponders (6 installed, 2 spares); eight (8) IDM-401 Improved Data Modems (6 new, 2 spares); eight (8) AN/ARN-149 (V)3 Automatic Direction Finders (6 installed, 2 spares); eight (8) Doppler ASN-157 Doppler

Radar Velocity Sensors (6 installed, 2 spares); eight (8) AN/APN-209 Radar Altimeters (6 installed, 2 spares); eight (8) AN/ARN-153 Tactical Air Navigation sets (TACAN) (6 installed, 2 spares); four (4) TACAN Ground Stations; eight (8) Very High Frequency Omni-Directional Range/Instrument Landing Systems (VOR/ILS) (6 installed, 2 spares); three (3) AN/PYQ-10(C) Simple Key Loader (3 new); six (6) M230E1 + M139 AWS Automatic Gun (6 new); eighteen (18) M261 rocket launchers (12 new, 6 spares); eighteen (18) M299 missile launchers (12 new, 6 spares); six (6) rocket motor, 2.75-inch, MK66-4, Inert (6 new); six (6) High Explosive Warhead for Airborne 2.75 Rocket, Inert (6 new); eighteen (18) Stinger air-to-air launchers (18 new); twelve (12) Stinger Captive Flight Trainers (CFT) (12 new); six (6) Stinger Aerial Handling Trainers (AHT) (6 new); five thousand (5,000) each 2.75 inch rockets (5,000 new); eighty thousand (80,000) 30mm rounds (80,000 new), training devices, communication systems, helmets, simulators, generators, transportation and organization equipment, spare and repair parts, support equipment, tools and test equipment, technical data and publications, personnel training and training equipment, U.S. Government and contractor technical assistance, technical and logistics support services, and other related elements of logistics support.

(iv) Military Department: Army (PI-B-VXX)

(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: **April 30, 2020**

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

### POLICY JUSTIFICATION

#### Philippines – Apache AH-64E Attack Helicopters and Related Equipment and Support

The Government of the Philippines has requested to buy six (6) AH-64E Apache attack helicopters; eighteen (18) T700-GE-701D engines (12 installed, 6 spares); fifteen (15) Honeywell Embedded Global Positioning Systems/Inertial Navigation (EGIs) w/Precise Positioning Service (PPS) (12 installed, 3 spares); two hundred (200) AGM-114 Hellfire missiles; twelve (12) M36E9 Hellfire Captive Air Training Missiles (CATM); three hundred (300) Advanced Precision Kill Weapon System (APKWS) Kits; one thousand seven hundred (1,700) Advanced Precision Kill Weapon System (APKWS) Guidance Sections; six (6) AN/ASQ-170 Modernized Target Acquisition and Designation Sight/AN/AAR-11 Modernized Pilot Night Vision Sensors (M-TADS/PNVS); six (6) AN/APG-78 Fire Control Radars (FCR) with Radar Electronic Units (REU); six (6) AN/APR-48B Modernized-Radar Frequency Interferometers (M-RFI); eight (8) AAR-57 Common Missile Warning Systems (CMWS) (6 installed, 2 spares); two hundred (200) FIM-92H Stinger missiles; eight (8) Manned-Unmanned

Teaming-2 (MUMT-2i) Video Receivers (6 installed, 2 spares); and eight (8) Manned-Unmanned Teaming-2 (MUMT-2i) Air-Air-Ground Kits (6 installed, 2 spares). Also included are eight (8) AN/AVR-2B Laser Detecting sets (6 installed, 2 spares); eight (8) AN/APR-39C(V)I+ Radar Signal Detecting sets (6 installed, 2 spares); fourteen (14) Single Channel Ground and Airborne Radio Systems (SINCGARS) radios (12 installed, 2 spares); fourteen (14) UHF/VHF/LOS airborne radios (12 installed, 2 spares); eight (8) AN/APX-123A (V) Common Transponders (6 installed, 2 spares); eight (8) IDM-401 Improved Data Modems (6 new, 2 spares); eight (8) AN/ARN-149 (V)3 Automatic Direction Finders (6 installed, 2 spares); eight (8) Doppler ASN-157 Doppler Radar Velocity Sensors (6 installed, 2 spares); eight (8) AN/APN-209 Radar Altimeters (6 installed, 2 spares); eight (8) AN/ARN-153 Tactical Air Navigation sets (TACAN) (6 installed, 2 spares); four (4) TACAN Ground Stations; eight (8) Very High Frequency Omni-Directional Range/Instrument Landing Systems (VOR/ILS) (6 installed, 2 spares); three (3) AN/PYQ-10(C) Simple Key Loader (3 new); six (6) M230E1 + M139 AWS Automatic Gun (6 new); eighteen (18) M261 rocket launchers (12 new, 6 spares); eighteen (18) M299 missile launchers (12 new, 6 spares); six (6) rocket motor, 2.75-inch, MK66-4, Inert (6 new); six (6) High Explosive Warhead for Airborne 2.75 Rocket, Inert (6 new); eighteen (18) Stinger air-to-air launchers (18 new); twelve (12) Stinger Captive Flight Trainers (CFT) (12 new); six (6) Stinger Aerial Handling Trainers (AHT) (6 new); five thousand (5,000) each 2.75 inch rockets (5,000 new); eighty thousand (80,000) 30mm rounds (80,000 new), training devices, communication systems, helmets, simulators, generators, transportation and organization equipment, spare and repair parts, support equipment, tools and test equipment, technical data and publications, personnel training and training equipment, U.S. Government and contractor technical assistance, technical and logistics support services, and other related elements of logistics support. The estimated cost is \$1.5 billion.

This proposed sale will support the foreign policy and national security of the United States by helping to improve the security of a friendly country that continues to be an important force for political stability, peace, and economic progress in South-East Asia.

The Philippines is considering either the AH-64E or the AH-1Z to modernize its attack helicopter capabilities. The proposed sale will assist the Philippines in developing and maintaining strong self-defense, counterterrorism, and critical infrastructure protection capabilities. The Philippines will have no difficulty absorbing this equipment and support into its armed forces.

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

The principal contractors will be Boeing, Mesa, Arizona; and Lockheed Martin, Orlando, Florida. Offsets may be a requirement of doing business in the Philippines; however, offsets are negotiated directly between the Original Equipment Manufacturers or other vendors and the Government of the Philippines, and further details are not known at this time.

Implementation of this proposed sale will require 60 U.S. Government or contractor representatives to travel to Philippines for a period of 6 weeks (non concurrent). Activities will include de-processing/fielding, training, and technical/logistics support.

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

Transmittal No. 20-05

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 AH-64E Apache Attack Helicopter is a fielded armed attack rotary wing aircraft in the Army inventory. The AH-64E is equipped with communication and target identification equipment, navigational equipment, aircraft survivability equipment, displays and sensors. Components considered to contain sensitive technology in the proposed case are as follows:

a. The AN/ ASQ-170 Modernized Target Acquisition and Designation Sight/AN/AAQ-11 Pilot Night Vision Sensor (MTADS/PNVS) provides day, night, and limited adverse weather target information, as well as night navigation capabilities. The PNVS provides thermal imaging that permits nap-of-the-earth flight to, from, and within the battle area, while TADS provides the co-pilot gunner with search, detection, recognition, and designation by means of Direct View Optics (DVO), EI2 television, and Forward Looking Infrared (FLIR) sighting systems that may be used singularly or in combinations. MTADS/PNVS contain sensitive technology and are classified CONFIDENTIAL.

b. The AN/ APG-78 Fire Control Radar (FCR) is an active, low-probability of intercept, millimeter-wave radar, combined with a passive AN/APR-48B Modernized Radar Frequency Interferometer (M-RFI) mounted on top of the helicopter mast. The AN/APG-78 and the AN/APR-78B M-RFI hardware components contain sensitive critical technologies. The FCR Ground Targeting Mode detects, locates, classifies and prioritizes stationary or moving armored vehicles, tanks and mobile air defense systems as well as hovering helicopters, helicopters, and fixed wing aircraft.

c. The AN/APR-48B Modernized Radar Frequency Interferometer (M-RFI) is an updated version of the passive radar detection and direction finding system. The AN/APR-78B M-RFI hardware components contain sensitive technology and are classified CONFIDENTIAL. It utilizes a detachable UDM on the M-RFI processor, which contains the Radar Frequency (RF) threat library.

d. The AGM-114R Hellfire is an air-to-ground missiles used against heavy and light armored targets, thin skinned vehicles, urban structures, bunkers, caves and personnel. The missile is Inertial Measurement Unit (IMU) based, with a variable delay fuse, improved

safety and reliability. The highest level of classified information that could be disclosed by a proposed sale or by testing of the end item is up to and including SECRET. Loss or compromise of classified information associated with AGM-114R could lead to development of countermeasures or exploitation of system vulnerabilities by those obtaining the information.

e. The Hellfire M36E9 Captive Air Training Missiles (CATM) is a flight-training missile that consists of a functional guidance section coupled to an inert missile bus. The M36E9 CATM does not have a functional rocket motor or warhead, and cannot be launched. It functions like a tactical missile (without launch capability) during captive carry on the aircraft, making it suitable for training the aircrew in simulated Hellfire missile target acquisition and lock. The highest level of classified information that could be disclosed by a proposed sale or by testing of the end item is SECRET.

f. The aircraft has an Embedded Global Positioning System/Inertial Navigation System (EGI) plus MultiMode Receiver (MMR), and two EGIs which use internal accelerometers, rate gyro measurements, and external sensor measurements to estimate the aircraft state, provides aircraft flight and position data to aircraft systems. The EGI is a velocity-aided, strap down, ring laser gyro based inertial unit. The EGI unit houses a GPS receiver. Integrated within the EGI is an Inertial Measurement Unit (IMU) for processing functions. Each EGI also houses an MMR to provide for reception of ground based NAVAID signals for instrument aided flight.

g. The AAR-57 Common Missile Warning System (CMWS) detects energy emitted by threat missiles in-flight, evaluates potential false alarm emitters in the environment, declares validity of threat and selects appropriate countermeasures. The CMWS consists of an Electronic Control Unit (ECU), Electro-Optic Missile Sensors (EOMSs), and Sequencer and Improved Countermeasures Dispenser (ICMD). The ECU hardware is classified CONFIDENTIAL; releasable technical manuals for operation and maintenance are classified SECRET.

h. The AN/APR-39 Radar Signal Detecting Set is a system that provides warnings of radar-directed air defense threats and allows appropriate countermeasures. This is the 1553 databus compatible configuration. The hardware is classified CONFIDENTIAL when programmed with threat data; releasable technical manuals for operation and maintenance are classified CONFIDENTIAL; releasable technical data (technical performance) is classified SECRET. The system can be programmed with threat data provided by the purchasing country.

i. The M36E9 Captive Air Training Missile (CATM) is a Hellfire training missile (Non-NATO) that consists of a functional guidance section coupled to an inert missile bus. The missile has an operational semi-active laser seeker that can search for and lock-on to laser designated targets for pilot training, but it does not have a warhead or propulsion section and cannot be launched.

j. The Stinger RMP Block I Missile, hardware, embedded software object code and operating documentation contain sensitive technology and are classified CONFIDENTIAL. The highest classification of the Stinger 92H Reprogrammable Micro-Processor (RMP) Block I missile hardware is CONFIDENTIAL, and the highest classification of data and information is SECRET. The guidance section of the missile and tracking head trainer contain highly sensitive technology and are classified CONFIDENTIAL. Missile System hardware components contain sensitive critical technologies. Stinger Block I critical technology is primarily in the area of design and production know-how and not end-items. Information on countermeasures vulnerability to electronic countermeasures, system performance capabilities and effectiveness, simulation and test data and software source code are classified up to SECRET.

2. 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.

3. A determination has been made that the Republic of the Philippines 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.

4. All defense articles and services listed in this transmittal have been authorized for release and export to the Republic of the Philippines.

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