



DEPARTMENT OF DEFENSE

[Transmittal No. 20-51]

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 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 20-51 with attached Policy Justification and Sensitivity of Technology.

Dated: November 19, 2020.

Kayyonne T. Marston,

Alternate OSD Federal Register Liaison Officer,

Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, SUITE 101
ARLINGTON, VA 22202-5408

August 26, 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. 20-51 concerning the Army's proposed Letter(s) of Offer and Acceptance to the Government of the United Kingdom for defense articles and services estimated to cost \$46 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, reading "Heidi H. Grant", is positioned below the word "Sincerely,".

Heidi H. Grant
Director

Enclosures:

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

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 the United Kingdom

(ii) Total Estimated Value:

Major Defense Equipment*	\$42 million
Other	<u>\$ 4 million</u>
TOTAL	\$46 million

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

Major Defense Equipment (MDE):

Three hundred ninety-five (395) AGM-114R2 Hellfire Missiles

Non-MDE:

Also included is technical assistance, publications, integration support, and other related elements of logistics and program support.

(iv) Military Department: Army (UK-B-WUG)

(v) Prior Related Cases, if any: UK-B-WSD, UK-B-WSA, UK-B-WQU

(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 26, 2020**

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

POLICY JUSTIFICATION

United Kingdom – Hellfire Missiles

The Government of the United Kingdom has requested to buy three hundred ninety-five (395) AGM-114R2 Hellfire missiles. Also included is technical assistance, publications, integration support, and other related elements of logistics and program support. The estimated total cost is \$46 million.

This proposed sale will support the foreign policy and national security objectives of the United States by improving the security of a NATO Ally which is an important force for political stability and economic progress in Europe.

The proposed sale will improve the United Kingdom's ability to meet current and future threats by replacing expiring and unserviceable missiles and maintaining capability to execute missions across a full range of military operations. The United Kingdom will have no difficulty absorbing these missiles into its armed forces.

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

The prime contractor will be Lockheed Martin Corporation, Orlando, Florida. The purchaser typically requests offsets. Any offset agreement will be defined in negotiations between the purchaser and the contractor.

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

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

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 AGM-114R2 Hellfire missile is 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 and improved safety and reliability. The Hellfire II multipurpose warhead variant (AGM-114R) allows selection of warhead effects corresponding to a specific target type. The AGM-114R is capable of being launched from Army rotary-wing and UAS platforms and provides the pilot increased operational flexibility.
2. The highest level of classification of defense articles, components, and services included in this potential sale is SECRET.
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 United Kingdom 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 the United Kingdom.