



DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 20-72]

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 20-72 with attached Policy Justification and Sensitivity of Technology.

Dated: December 8, 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

October 16, 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. 20-72 concerning the Navy's proposed Letter(s) of Offer and Acceptance to the Government of Romania for defense articles and services estimated to cost \$300 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 above the printed name.

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 Romania

(ii) Total Estimated Value:

Major Defense Equipment*	\$ 10 million
Other	<u>\$290 million</u>
TOTAL	\$300 million

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: The Government of Romania has requested to buy two (2) Coastal Defense Systems (CDS) consisting of:

Major Defense Equipment (MDE):

Up to ten (10) Link-16 Multifunctional Information Distribution System – Joint Tactical Radio Systems (MIDS-JTRS)

Non-MDE:

Also included are two Coastal Defense System Fire Distribution Centers; four Mobile Launch Vehicles; Transport Loading Vehicles; Naval Strike Missiles; non-operational Inert Handling/Loading Missile (IHM) to support missile handling and loading/unloading; training missile and equipment spares; associated containers; training and training equipment; publications and technical documentation; spares parts; loading and mobile maintenance support; U.S. Government and contractor engineering, technical, and logistics support services; and other related elements of logistical and program support.

(iv) Military Department: Navy (RO-P-SAE)

(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: **October 16, 2020**

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

POLICY JUSTIFICATION

Romania – Naval Strike Missile (NSM) Coastal Defense System (CDS)

The Government of Romania has requested to buy two (2) Coastal Defense Systems (CDS) consisting of: up to ten (10) Link-16 Multifunctional Information Distribution System - Joint Tactical Radio Systems (MIDS-JTRS). Also included are two Coastal Defense System Fire Distribution Centers; four Mobile Launch Vehicles; Transport Loading Vehicles; Naval Strike Missiles; non-operational Inert Handling/Loading Missile (IHM) to support missile handling and loading/unloading; training missile and equipment spares; associated containers; training and training equipment; publications and technical documentation; spares parts; loading and mobile maintenance support; U.S. Government and contractor engineering, technical, and logistics support services; and other related elements of logistical and program support.

The estimated total cost is \$300 million.

This proposed sale will support the foreign policy and national security of the United States by helping to improve the security of a NATO Ally in developing and maintaining a strong and ready self-defense capability. This proposed sale will enhance U.S. national security objectives in the region.

The proposed sale will improve Romania's capability to meet current and future threats by improving Romania's maritime defense capabilities in the Black Sea and increasing interoperability with the United States. Romania will use this long-range, precision strike weapon to enhance mission effectiveness, survivability, and NATO interoperability in current and future missions and operations. Romania 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 U.S. contractor will be Raytheon Missile and Defense, Tucson, AZ. There are no known offset agreements proposed in connection with this potential sale.

Implementation of the proposed sale will require U.S. Government and contractor personnel to visit Romania on a temporary basis in conjunction with program technical oversight and support requirements, including program and technical reviews, as well as to provide training and maintenance support in country.

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

1. The Naval Strike Missile (NSM) Coastal Defense System (CDS) provides a high performance, mobile, ground-based coastal defense capability. It has a net centric architecture, which enables multiple simultaneous engagements and over-the-horizon (OTH) targeting. The system can be closely integrated and adapted to a country's adjacent weapons and command and control systems. This expands the defended area and enhances the total fighting capability of the force. The NSM CDS is a "turn-key" solution that includes equipment, prime movers, spares, training, training equipment, logistics support equipment, documentation, services, and communications. This configuration consists of mobile Command and Control (C2) Fire Distribution Centers (FDCs) with an integrated communication subsystem and associated software; Mobile Launch Vehicles (MLVs) that perform a complete fire mission; Transport Loading Vehicles (TLVs) for the missiles; communication subsystem; Uninterrupted Power Supply (UPS); tactical missiles; telemetered missiles to support test firings; inert or "dummy" missiles for handling/loading training; and an inert operational missile to support ground based integration and system verification testing.
2. Multifunctional Information Distribution System - Joint Tactical Radio System (MIDS-JTRS) is a secure data and voice communication network using Link-16 architecture. MIDS-JTRS provides a high capacity, low latency Internet Protocol (IP) based waveform that can quickly transmit large amounts of data. Advanced algorithms allow cooperative detection and engagement of a wider array of targets, improving fused track accuracy and increasing lethality/survivability through Situational Awareness.
3. The highest level of classification of defense articles, components, and services included in this potential sale is SECRET.
4. 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.
5. A determination has been made that Romania 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.
6. All defense articles and services listed in this transmittal have been authorized for release and export to the Government of the Romania.
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