

Billing Code



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DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 21-07]

Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense (DoD).

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 21-07 with attached Policy Justification and Sensitivity of Technology.

Dated: December 18, 2020.

Aaron T. Siegel,

Alternate OSD Federal Register Liaison Officer,

Department of Defense.



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

December 15, 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. 21-07 concerning the Air Force's proposed Letter(s) of Offer and Acceptance to the Government of Italy for defense articles and services estimated to cost \$500 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 Italy

(ii) Total Estimated Value:

Major Defense Equipment*	\$ 10 million
Other	<u>\$490 million</u>
TOTAL	\$500 million

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: The Government of Italy has requested to buy articles and services to support the integration of two (2) Airborne Intelligence, Surveillance, Reconnaissance, and Electronic Warfare (AISREW) mission systems onto two (2) Italian Ministry of Defense provided G550 aircraft consisting of:

Major Defense Equipment (MDE):

Four (4) Multifunctional Information Distribution Systems – Joint Tactical Radio System (MIDS JTRS) (2 installed, 2 spares)
Three (3) Embedded/GPS/INS (EGI) with GPS Security Devices, Airborne (2 installed, 1 spare)
Four (4) RIO™ Communications Intelligence Systems (2 installed, 2 spares)

Non-MDE:

Also included are Missile Warning Sensors, AN/ALE-47 Countermeasure Dispenser Sets (CMDSD), MX-20HD Electro-Optical and Infra-Red systems, Osprey 50 AESA Radars, AISREW ISR equipment, Secure Communications equipment, Identification Friend or Foe Systems, aircraft modification and integration, ground systems for data processing and crew training, ground support equipment, publications and technical data, U.S. Government and contractor engineering, technical and logistics support services, flight test and certification, and other related elements of logistical and program support.

(iv) Military Department: Air Force (IT-D-BAA)

(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: **December 15, 2020**

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

POLICY JUSTIFICATION

Italy – Gulfstream G550 Aircraft with Airborne Intelligence, Surveillance, Reconnaissance, and Electronic Warfare (AISREW) Mission Systems

The Government of Italy has requested to buy articles and services to support the integration of two (2) Airborne Intelligence, Surveillance, Reconnaissance, and Electronic Warfare (AISREW) mission systems onto two (2) Italian Ministry of Defense provided G550 aircraft consisting of: four (4) Multifunctional Information Distribution Systems – Joint Tactical Radio System (MIDS JTRS) (2 installed, 2 spares); three (3) Embedded/GPS/INS (EGI) with GPS security devices, airborne (2 installed, 1 spare); and four (4) RIO™ Communications Intelligence Systems (2 installed, 2 spares). Also included are Missile Warning Sensors, AN/ALE-47 Countermeasure Dispenser Sets (CMDS), MX-20HD Electro-Optical and Infra-Red systems, Osprey 50 AESA Radars, AISREW ISR equipment, Secure Communications equipment, Identification Friend or Foe Systems, aircraft modification and integration, ground systems for data processing and crew training, ground support equipment, publications and technical data, U.S. Government and contractor engineering, technical and logistics support services, flight test and certification, and other related elements of logistical and program support. The total estimated program cost is \$500 million.

This proposed sale will support U.S. foreign policy and national security by helping to improve the security of a NATO ally, which is an important partner for political stability and economic progress in Europe.

The proposed sale supports and complements the ongoing efforts of Italy to modernize its airborne Intelligence, Surveillance, Reconnaissance, and Electronic Warfare capability and increases interoperability between the U.S. Air Force and the Italian Air Force (ITAF). Italy will have no difficulty absorbing these articles 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 L3Harris, Greenville, TX. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require the assignment of up to six (6) additional U.S. contractor representatives to Italy for a duration of one (1) year to support equipment familiarization.

There will be no adverse impact on U.S. defense readiness resulting from 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. Missile Warning Sensor (MWS) units are mounted on the aircraft exterior to provide omnidirectional protection. The MWS warns of threat missile approach by detecting radiation associated with the rocket motor. The Infrared Missile Warning System (IRMWS) is a small, lightweight, passive, electro-optic, threat-warning device used to detect surface-to-air missiles fired at helicopters and low-flying fixed-wing aircraft and automatically provides countermeasures, as well as audio and visual warning messages to the aircrew.
2. Multifunctional Information Distribution System-Joint Tactical Radio System (MIDS JTRS) is an advanced Link-16 command, control, communications, and intelligence (C3I) system incorporating high capacity, jam-resistant, digital communication links for exchange of near real-time tactical information, including both data and voice, among air, ground, and sea elements.
3. The AN/ALE-47 Countermeasure Dispenser Set (CMDS) provides an integrated threat-adaptive, computer controlled capability for dispensing chaff, flares, and active radio frequency expendables. The system is internally mounted and may be operated as a stand-alone system or may be integrated with other on-board Electronic Warfare (EW) and avionics systems. The AN/ALE-47 uses threat data received over the aircraft interfaces to assess the threat situation and determine a response. Expendable routines tailored to the immediate aircraft and threat environment may be dispensed using one of four operational modes.
4. The Embedded GPS-INS (EGI) is a sensor that combines GPS and inertial sensor inputs to provide accurate location information for navigation and targeting, and can be loaded with crypto-variable keys.
5. Wescam MX-20HD is a gyro-stabilized, multi-spectral, multi-field of view Electro-Optical/Infrared (EO/IR) system. The systems provide surveillance laser illumination and laser designation through use of an externally mounted turret sensor unit and internally mounted master control. Sensor video imagery is displayed in the aircraft real time and may be recorded for subsequent ground analysis.
6. The Osprey family of surveillance radars provides second generation Active Electronically Scanned Array (AESA) surveillance capability as the primary sensor on airborne assets. The Osprey radars are at a high technology readiness level and are in production for fixed and rotary wing applications. This Osprey configuration employs a side-looking radar. Osprey radars provide a genuine multi-domain capability, with high performance sea surveillance, notably against difficult targets, land surveillance with wide swath, very high resolution ground mapping, small and low speed ground target indication, high performance air to air surveillance, tracking and intercept.
7. The AISREW mission systems, to include the RIO™ Communications Intelligence Systems, provide near-real-time information to tactical forces, combatant commanders and national-level

authorities across the spectrum of conflict. The mission system can forward gather information in a variety of formats via secured communications systems. Most hardware used in this system is generic and commercially available. However, if any of the specialized hardware or publications are lost, the information could provide insight into many critical U.S. capabilities. Information gained could be used to develop countermeasures as well as offensive and defensive counter-tactics.

8. The highest level of classification of information included in this potential sale is SECRET.

9. 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.

10. A determination has been made that Italy 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.

11. All defense articles and services listed in this transmittal have been authorized for release and export to Italy.

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