

Billing Code



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DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 20-84]

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 20-84 with attached Policy Justification and Sensitivity of Technology.

Dated: December 21, 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

December 1, 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. 20-84 concerning the Army's proposed Letter(s) of Offer and Acceptance to the Government of Croatia for defense articles and services estimated to cost \$757.0 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 Croatia

(ii) Total Estimated Value:

Major Defense Equipment*	\$218.0 million
Other	<u>\$539.0 million</u>
TOTAL	\$757.0 million

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: The U.S. Government has offered Croatia, under the grant Excess Defense Articles (EDA) program, eighty-four (84) M2A2 Operation Desert Storm (ODS) Bradley Fighting vehicles in as-is, where is condition. This notification is for refurbishment/ modernization and support of seventy-six (76) of the vehicles consisting of:

Major Defense Equipment (MDE):

Eighty-four (84) M240 Machine Guns

One thousand one hundred three (1,103) TOW 2A Radio Frequency (RF) Missiles

Sixteen (16) TOW 2A Radio Frequency (RF) Fly-to-Buy Lot Acceptance Missiles

One hundred (100) TOW 2B Radio Frequency (RF) Missiles

Eight (8) TOW 2B Radio Frequency (RF) Fly-to-Buy Lot Acceptance Missiles

Five hundred (500) TOW Bunker Buster (BB) Radio Frequency (RF) Missiles

Eight (8) TOW BB Fly-to-Buy Lot Acceptance Missiles

Non-MDE:

Also included are M257 Smoke Grenade Launchers; ammunition; radios; simulator; special armor; Hunter/Killer technology, which may include an exportable Commander's Independent Viewer (CIV); spare and repair parts; support equipment; upgrade/maintenance of engines and transmissions; refurbishment of TOW launchers; depot level support; communication support equipment; tool and test equipment; training; U.S. Government and contractor engineering, technical, and logistics support services; and other related elements of logistics and program support.

(iv) Military Department: Army (HR-B-UBV)

(v) Prior Related Cases, if any: HR-B-IAG

(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 1, 2020**

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

POLICY JUSTIFICATION

Croatia – Bradley Fighting Vehicle Refurbishment/Modernization

The Government of Croatia has requested to buy refurbishment/modernization and support for seventy-six (76) M2A2 Operation Desert Storm (ODS) Bradley Fighting vehicles consisting of: eighty-four (84) M240 machine guns; one thousand one hundred three (1,103) TOW 2A Radio Frequency (RF) missiles; sixteen (16) TOW 2A Radio Frequency (RF) fly-to-buy lot acceptance missiles; one hundred (100) TOW 2B Radio Frequency (RF) missiles; eight (8) TOW 2B Radio Frequency (RF) fly-to-buy lot acceptance missiles; five hundred (500) TOW Bunker Buster (BB) Radio Frequency (RF) missiles; and eight (8) TOW BB fly-to-buy lot acceptance missiles. Also included are M257 Smoke Grenade Launchers; ammunition; radios; simulator; special armor; Hunter/Killer technology, which may include an exportable Commander's Independent Viewer (CIV); spare and repair parts; support equipment; upgrade/maintenance of engines and transmissions; refurbishment of TOW launchers; depot level support; communication support equipment; tool and test equipment; training; U.S. Government and contractor engineering, technical, and logistics support services; and other related elements of logistics and program support. The total estimated program cost is \$757 million.

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

This proposed sale of the Bradley vehicle refurbishment/modernization will contribute to Croatia's goal of updating its military capability while further enhancing interoperability with the United States and other allies. Croatia will have no difficulty absorbing these equipment and support into its armed forces.

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

The prime contractors will be BAE Systems, York, Pennsylvania; and Raytheon Missile Systems, Tucson, Arizona. 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 Croatia on a temporary basis in conjunction with program oversight and support requirements, 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.

Transmittal No. 20-84

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 Modernized Bradley M2 components which are considered to contain sensitive

technology are as follow:

a. Exportable version of the Second Generation Thermal “Night Vision” Viewer, also known as the Second-Generation Forward Looking infrared (SG-FLIR). For the Modernized Bradley M2, the SG-FLIR system includes:

1) Improved Bradley Acquisition Subsystem (IBAS) is a second-generation forward looking infrared (FLIR) and an electro-optical/TV imaging system. The IBAS has direct-view optics (DVO) and the eye-safe laser rangefinder (ELRF). The IBAS interfaces with the Bradley fire control system and can be used for surveillance and as a back-up engagement sight for the commander.

2) Commander's Independent Thermal Viewer (CIV) is another version of the second-generation forward looking infrared (FLIR) and an electro-optical/TV imaging system. The CIV allows the commander to scan for targets and maintain situational awareness while remaining under armor and without interfering with the gunner's acquisition and engagement of targets.

3) High Definition (HD) Long-Wave SG-FLIR sight is currently under development for the Bradley Fighting Vehicle. The HD Long-wave FLIR is being developed as an eventual upgrade to the capability of the IBAS and CIV. This case may include the non-recurring engineering costs associated with developing an exportable version of HD Long-wave FLIR for International use.

b. Exportable version of the Drivers Vision Enhancer (DVE), the “Night Vision” Viewer utilized by the Bradley drivers is a passive thermal imaging system, or “night vision” device used to enhance a driver's viewing capabilities while operating during degraded visual conditions, such as darkness, fog, smoke or dust. It provides for an improved situational awareness, applicable to both driving and surveillance. The DVE system consists of a Display Control Module (DCM), Sensor Module (SM), and Pan and Tilt Modules (PTM). The DVE is currently available in the standard and wide (DVE-Wide) configurations. The DVE-Wide provides drivers with wider fields of view.

c. Exportable version of the Inertial Navigation Unit (INU) is a navigation device that uses motion sensors or accelerometers and rotation sensors or gyroscopes to continuously calculate the position, the orientation, and the velocity of Bradley vehicle without the need for external references. It is a supplementary, and complementary to the global positioning system (GPS). In the event of a lack of a GPS signal, the INU maintains position, velocity, and situational awareness.

d. The Radio Frequency TOW 2A (RF) Missile (BGM-71E-4B-RF) is a direct attack missile designed to defeat armored vehicles, reinforced urban structures, field fortification and other such targets. TOW Missiles are fired from a variety of TOW Launchers in the U.S. Army, USMC and FMS customer forces. The TOW 2A RF missile can be launched from the same launcher platforms as the existing wire-guided TOW 2A missile without modification to the launcher. The TOW 2A missile (both wire and RF) contains two tracker beacons (Xenon and thermal) for the launcher to track and guide the missile in flight. Guidance commands from the launcher are provided to the missile by the RF link contained within the missile case. The hardware, software, and technical publications provided with the sale thereof are unclassified. However, the system itself contains sensitive technology that instructs the system on how to operate in

the presence of countermeasures.

e. The Radio Frequency TOW 2B (RF) Missile (BGM-71F-3-RF) is a fly-over shoot-down missile designed to defeat armored vehicles. TOW Missiles are fired from a variety of TOW Launchers in the U.S. Army, USMC and FMS customer forces. The TOW 2B RF missile can be launched from the same launcher platforms as the existing wire-guided TOW 2B missile without modification to the launcher. The TOW 2B missile (both wire and RF) contains two tracker beacons (Xenon and thermal) for the launcher to track and guide the missile in flight. Guidance commands from the launcher are provided to the missile by the RF link contained within the missile case. The hardware, software, and technical publications provided with the sale thereof are unclassified. However, the system itself contains sensitive technology that instructs the system on how to operate in the presence of countermeasures.

f. The Radio Frequency TOW Bunker Buster (BB) Missile (BGM-71H-1-RF) is a variant of the TOW 2A that replaces the TOW 2A warhead with a high explosive blast-fragmentation warhead. The bulk charge warhead is effective against reinforced concrete walls, light armored vehicles, and earth and timber bunkers. Guidance commands from the launcher are provided to the missile by the RF link contained within the missile case.

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 or equivalent systems which 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 Croatia can provide 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 enclosed Policy Justification.

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