

(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:* September 19, 2018

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

POLICY JUSTIFICATION

United Kingdom—Phalanx Baseline 2 Radar Upgrade Kits

The Government of the United Kingdom (UK) has requested to buy fifty (50) MK 15 Phalanx Close-in Weapon System (CIWS) Block IB Baseline 2 Upgrade Kits. Also included are support equipment, test equipment, initial spare parts, technical documentation, training, and engineering technical assistance, and other related elements of logistics and program support. The total estimated program cost is \$75 million.

This proposed sale will support U.S. foreign policy and national security objectives of the United States by improving the security of a NATO ally which has been, and continues to be, an important partner on critical foreign policy and defense issues.

The proposed sale of the Phalanx Baseline 2 Radar Upgrade Kits will be used for close-in ship self-defense against air and surface threats onboard the UK's naval combatants and auxiliaries. The UK, which already has earlier versions of the MK 15 Phalanx in its inventory, will have no difficulty absorbing these upgrades 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 prime contractor will be Raytheon Missile Systems, Tucson, AZ. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require multiple trips by U.S. Government and contractor representatives to participate in program

and technical reviews, plus training and maintenance support in country as required.

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

Transmittal No. 18-37

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 MK15 Phalanx Close-in Weapon System (CIWS) consists of a rapid-fire, computer-controlled radar and gun system mounted on a turret designed to defeat anti-ship missiles; small surface craft; low, slow aircraft; rockets; and mortars. The weapon system automatically carries out search, detection, target threat evaluation, tracking, firing, and kill loop fire control that uses advanced radar and computer technology to locate, identify, and direct a system of armor piercing projectiles to the target. The Phalanx Block IB Baseline 2 Radar Upgrade Kits converts the system's radar from an analog to digital suite, significantly improving obsolescence of hardware. Some performance in range, speed, maneuverability, and organic sensor capabilities will be enhanced over the existing UK Phalanx system. These kits will allow for the UK to upgrade its current Block IB Baseline 1 systems via approved in-country Depot-Level Maintenance Facility (DLMF) capability. The highest classification of the hardware in the proposed sale is SECRET. The highest classification of the technical documentation in the proposed sale is SECRET. The highest classification of the operational software to be exported is SECRET.

2. If a technologically advanced adversary obtains knowledge of the specific hardware and software elements, the information could be used to develop countermeasures or

equivalent systems 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 Government of the United Kingdom can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This proposed sale is necessary to the 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 are authorized for release and export to the Government of the United Kingdom.

[FR Doc. 2018-24417 Filed 11-7-18; 8:45 am]

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DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 18-22]

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: DSCA at dsca.ncr.lmo.mbx.info@mail.mil or (703) 697-9709.

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 18-22 with attached Policy Justification and Sensitivity of Technology.

Dated: November 2, 2018.

Aaron T. Siegel,

Alternate OSD Federal Register Liaison Officer, Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY

201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-5408

SEP 28 2018

The Honorable Paul D. Ryan
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

Dear Mr. 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. 18-22, concerning the Army's proposed Letter(s) of Offer and Acceptance to the Government of Bahrain 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,

Charles W. Hooper
Lieutenant General, USA
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology
4. Regional Balance (Classified document provided under separate cover)

Transmittal No. 18-22

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 Bahrain

(ii) *Total Estimated Value:*

Major Defense Equipment *	\$295 million
Other	\$ 5 million
Total	\$300 million

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

Major Defense Equipment (MDE):

One hundred twenty (120) Guided Multiple Launch Rocket System (GMLRS) M31 Unitary Rocket Pods (Six (6) rockets per pod for a total of seven hundred twenty (720)

One hundred ten (110) Army Tactical Missiles System (ATACMS) M57 T2K Unitary Missiles

Non-MDE: Also included are publications, personnel training and training equipment, software development, U.S. Government and contractor engineering, technical and logistics support services; and other related elements of logistical and program support.

(iv) *Military Department: Army (BA–B–UKF)*

(v) *Prior Related Cases, if any: BA–B–UIW (GMLRS); BA–B–UJK (ATACMS)*

(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: September 28, 2018

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

POLICY JUSTIFICATION

Bahrain—M31 Guided Multiple Launch Rocket System (GMLRS) Unitary and Army Tactical Mission System (ATACMS) T2K Unitary Missile

The Kingdom of Bahrain has requested to buy one hundred twenty (120) Guided Multiple Launch Rocket System (GMLRS) M31 Unitary Rocket Pods (six (6) rockets per pod for a total of seven hundred twenty (720); and one hundred ten (110) Army Tactical Missiles System (ATACMS) M57 T2K Unitary missiles. Also included are publications, personnel training and training equipment, software development, U.S. Government and contractor engineering, technical and logistics support services; and other related elements of logistical and program support. The overall total estimated value is \$300 million.

This proposed sale will enhance the foreign policy and national security objectives of the United States by helping to improve the security of a Major Non-NATO Ally that has been, and continues to be an important force for political stability and economic progress in the Middle East. The proposed sale of the M31 GMLRS Unitary Rocket Pods and ATACMS T2K Unitary Missile will improve Bahrain's capability to meet current and future threats and provide greater security for its critical oil and natural gas infrastructure, and significant national events. Bahrain will use the enhanced capabilities to strengthen its homeland defense and deter regional threats. Bahrain will have no difficulty absorbing these rocket pods 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 Missile and Fire Control in Grand Prairie, TX. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any

additional U.S. or contractor representatives in Bahrain.

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

Transmittal No. 18–22

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 GMLRS M31 Unitary is the Army's primary munition for units fielding the High Mobility Artillery Rocket Systems (HIMARS) and Multiple Launcher Rocket Systems (MLRS) M270A1 Rocket and Missile Launcher platforms. The M31 Unitary is a solid propellant artillery rocket that uses Global Positioning System (GPS)-aided inertial guidance to accurately and quickly deliver a single high-explosive blast fragmentation warhead onto point targets at ranges from 15–70 kilometers. The rockets are fired from a launch pod container that also serves as the storage and transportation container for the rockets. Each rocket pod holds six (6) total rockets.

2. The GMLRS Unitary employs a multi-mode fuze consisting of an Electronic Safe and Arm Fuze (ESAF) and a Frequency-Modulating Continuous Wave—Directional Doppler Ranging (FMCW—DDR) height of burst sensor. The weapon has three fuzing modes—point detonating, post-impact time delay, and proximity height of burst—which are all accomplished automatically via a launcher/fire control system electrical interface prior to launch. The height of burst sensor is not integrated with the fuze, but provides fire pulse input and interfaces with a mechanical fuze.

3. GMLRS hardware and operational software are UNCLASSIFIED. System performance characteristics are classified CONFIDENTIAL. Components of the GMLRS system are considered highly resistant to reverse engineering and the impact of loss or diversion of the end item hardware would have minimum adverse impact.

4. The M57 ATACMS Unitary is a conventional, semi-ballistic missile which utilizes a 500-lb high explosive unitary warhead. It has a range of 70–270km and increased accuracy and lethality due to a GPS/PPS-aided guidance system. The ATACMS T2K is an upgraded missile variant which redesigned previous variants' components to compensate for obsolescence issues and lowered per-unit cost. Critical technologies on the

M57 include the GPS antenna, laser-ring gyroscopes production processes involved in the Inertial Measurement Unit (IMU), and lithium thermal batteries used in missile guidance and control. ATACMS missile hardware and operational software are UNCLASSIFIED. Data table and mission critical data generator special applications software are classified CONFIDENTIAL. Performance and accuracy/lethality data are classified up to the SECRET level. System response time and trajectory data are classified CONFIDENTIAL.

5. The Army's FMCW—DDR height of burst technology is comprised of components and software requiring special production skills and is deemed state of the art. The sensitive aspects of the technology reside primarily the design, development, production, and manufacturing data for the related components (integrated circuits and flex cable assembly) and in the methodology required to integrate those components onto the flex cable assembly to process embedded data (the software, algorithm, and operating parameters). The sole technology aspect of the FMCW—DDR present in the M31 proximity height of burst sensor is the signal processing algorithm (i.e. processing techniques) modified specifically for use in the M31. The disclosure of know-how, software, and other associated documentation for this sensitive technology is not authorized under this sale.

6. 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.

7. A determination has been made that Bahrain can provide substantially the same degree of protection of this technology as the U.S. Government. This proposed sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification. Moreover, the benefits to be derived from this sale, as outlined in the Policy Justification, outweigh the potential damage that could result if the sensitive technology were revealed to unauthorized persons.

8. All defense articles and services listed in this transmittal are authorized for release and export to the Government of Bahrain.

[FR Doc. 2018–24403 Filed 11–7–18; 8:45 am]

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