

*Defense Services Proposed to be Sold:*  
See Attached Annex  
(viii) *Date Report Delivered to Congress:* 13 May 2014

## POLICY JUSTIFICATION

*Government of Iraq (GOI)—Aerostat and Rapid Aerostat Initial Deployment System Towers*

The Government of Iraq has requested a possible sale of 7 Aerostats (17 meter) and 14 Rapid Aerostat Initial Deployment (RAID) Tower Systems, installation, spare and repair parts, support equipment, publications and technical data, site surveys, U.S. government and contractor technical assistance, personnel training and training equipment, and other related elements of program and logistics support. The estimated cost is \$90 million.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a strategic partner. This proposed sale directly supports the Government of Iraq and serves the interests of the people of Iraq and the United States.

This proposed sale would facilitate progress towards increasing the Iraq's ability to provide protection of national level command and control sites, military installations, and other critical infrastructure against terrorist attacks. Iraq will have no difficulty absorbing this equipment 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 Raytheon Company of Arlington, Virginia. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require up to 12 U.S. Government and contractor representatives to travel to Iraq over a two year period to provide technical support, program reviews and training.

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

Transmittal No. 14-04

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 Aerostat and Rapid Aerostat Initial Deployment (RAID) System Towers are Unclassified. The Aerostat is a large fabric balloon filled with helium and has the capability to carry up to a 200 pound payload and reach a maximum altitude of 1000 meters. Aerostat operator/support personnel consist of an 8-12 person team. The RAID tower will be the 107 foot variant supported by 3-5 person teams. The common sensor for both platforms is the Forward Looking Infrared Radar (FLIR) manufactured Star Safire III (max range 18K). These systems provide downward looking surveillance but do not provide a targeting capability. The enhanced Battlespace Reconnaissance Intelligence Surveillance software and mapping data are commercial variants.

2. 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.

3. A determination has been made that the recipient country 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 Policy Justification.

4. All defense articles and services listed in this transmittal have been authorized for release and export to the Government of Iraq.

[FR Doc. 2014-11608 Filed 5-19-14; 8:45 am]

BILLING CODE 5001-06-P

## DEPARTMENT OF DEFENSE

### Office of the Secretary

[Transmittal Nos. 14-12]

### 36(b)(1) Arms Sales Notification

**AGENCY:** Defense Security Cooperation Agency, Department of Defense.

**ACTION:** Notice.

**SUMMARY:** The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

**FOR FURTHER INFORMATION CONTACT:** Ms. B. English, DSCA/DBO/CFM, (703) 601-3740.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittals 14-12 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: May 15, 2014.

**Aaron Siegel,**

*Alternate OSD Federal Register Liaison Officer, Department of Defense.*



DEFENSE SECURITY COOPERATION AGENCY

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

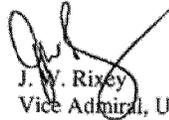
The Honorable John A. Boehner  
Speaker of the House  
U.S. House of Representatives  
Washington, DC 20515

MAY 13 2014

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. 14-12, concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance to Australia for defense articles and services estimated to cost \$534 million. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,



J. W. Rixey  
Vice Admiral, USN  
Director

Enclosures:

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



Transmittal No. 14-12

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:* Australia
- (ii) *Total Estimated Value:*

Major Defense Equipment *	\$476 million
Other .....	\$ 58 million
Total .....	\$534 million

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

(iii) *Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:* Up to 350 AIM-9X-2 Sidewinder Tactical Missiles, 35 AIM-9X Special Air Training Missiles (NATM), 95 AIM-9X-2 Captive Air Training Missiles (CATM), 22 AIM-9X-2 Tactical Guidance Units, 19 CATM-9X-2 Guidance Units, 3 DATM-9X, containers, test sets and support equipment, spare and repair parts, publications and technical

documents, personnel training and training equipment, U.S. Government and contractor technical assistance, and other related elements of logistics and program support.

- (iv) *Military Department:* Navy (AZT)
- (v) *Prior Related Cases, if any:* FMS Case AYD-\$46.7M-30Oct07
- (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:* 13 May 2014

## POLICY JUSTIFICATION

*Australia—AIM 9X-2 Sidewinder Missiles*

The Government of Australia has requested a possible sale of up to 350 AIM-9X-2 Sidewinder Tactical Missiles, 35 AIM-9X Special Air Training Missiles (NATMs), 95 AIM-9X-2 Captive Air Training Missiles (CATMs), 22 AIM-9X-2 Tactical Guidance Units, 19 CATM-9X-2 Guidance Units, 3 DATM-9X, containers, test sets and support equipment, spare and repair parts, publications and technical documents, personnel training and training equipment, U.S. Government and contractor technical assistance, and other related elements of logistics and program support. The estimated cost is \$534 million.

Australia is an important ally in the Western Pacific that contributes significantly to ensuring peace and stability in the region. Australia's efforts in peacekeeping and humanitarian operations have made a significant impact on regional, political and economic stability and have served U.S. national security interests.

This proposed sale will improve the Royal Australian Air Force's (RAAF) air to air capability and ability to defend its nation and cooperate with allied air forces. These missiles will be used on the RAAF's F/A-18 aircraft (and eventually F-35 aircraft) and will maintain the RAAF's air-to-air capability to defend its extensive coastlines against future threats. The proposed sale will enhance RAAF's ability to operate with coalition forces in bilateral and multilateral exercises and potential air defense operations. Australia 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 principal contractor will be Raytheon Missile Systems Company in Tucson, Arizona. There are no known

offset agreements proposed in connection with this potential sale.

Implementation of this sale may require the assignment of additional U.S. Government or contractor representatives in Australia to provide technical and logistics support for two years. U.S. Government and contractor representatives will also participate in program management and technical reviews for one-week intervals twice annually.

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

Transmittal No. 14-12

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 AIM-9X-2 (Block II) Sidewinder Missile represents a substantial increase in missile acquisition and kinematics performance over the AIM-9M and replaces the AIM-9X (Block I) Missile configuration. The missile includes a high off-boresight seeker, enhanced countermeasure rejection capability, low drag/high angle of attack airframe, and the ability to integrate the Helmet Mounted Cueing System. The software algorithms are the most sensitive portion of the AIM-9X-2 missile. A Software Improvement Program (SIP) provides for Software updates. No software source code or algorithms will be released. The missile is classified as Confidential.

2. The AIM-9X-2 will result in the transfer of sensitive technology and information. The equipment, hardware, and documentation are classified Confidential. The software and operational performance are classified Secret. The seeker/guidance control section and the target detector are Confidential and contain sensitive state-of-the-art technology. Manuals and technical documentation that are necessary or support operational use and organizational management are classified up to Secret. Performance and operating logic of the counter-countermeasures circuits are classified Secret. The hardware, software, and data identified are classified to protect

vulnerabilities, design and performance parameters, and similar critical information.

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 advanced capabilities.

4. A determination has been made that the recipient country 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 US 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 Government of Australia.

[FR Doc. 2014-11600 Filed 5-19-14; 8:45 am]

BILLING CODE 5001-06-P

## DEPARTMENT OF DEFENSE

### Office of the Secretary

[Transmittal Nos. 13-79]

### 36(b)(1) Arms Sales Notification

**AGENCY:** Defense Security Cooperation Agency, Department of Defense.

**ACTION:** Notice.

**SUMMARY:** The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

**FOR FURTHER INFORMATION CONTACT:** Ms. B. English, DSCA/DBO/CFM, (703) 601-3740.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittals 13-79 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: May 15, 2014.

**Aaron Siegel,**

*Alternate OSD Federal Register Liaison Officer, Department of Defense.*