

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 Oman 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.

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

[FR Doc. 2018-00667 Filed 1-16-18; 8:45 am]

**BILLING CODE 5001-06-P**

## **DEPARTMENT OF DEFENSE**

### **Office of the Secretary**

**[Transmittal No. 17-63]**

#### **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:** Pamela Young, (703) 697-9107, [pamela.a.young14.civ@mail.mil](mailto:pamela.a.young14.civ@mail.mil) or Kathy Valadez, (703) 697-9217,

[kathy.a.valadez.civ@mail.mil](mailto:kathy.a.valadez.civ@mail.mil); DSCA/DSA-RAN.

**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 17-63 with attached Policy Justification and Sensitivity of Technology.

Dated: January 11, 2018.

**Aaron Siegel,**

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

**BILLING CODE 5001-06-P**



DEFENSE SECURITY COOPERATION AGENCY  
201 12TH STREET SOUTH, STE 209  
ARLINGTON, VA 22202-5408

JAN 05 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. 17-63, concerning the Navy's proposed Letter(s) of Offer and Acceptance to the Government of Mexico for defense articles and services estimated to cost \$98.4 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. Hopper  
Lieutenant General, USA  
Director

Enclosures:

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



BILLING CODE 5001-06-C

Transmittal No. 17-63

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:* The Government of Mexico

(ii) *Total Estimated Value:*

Major Defense Equipment * ..	\$55.0 million
Other .....	\$43.4 million
Total .....	\$98.4 million

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

*Major Defense Equipment (MDE):*

- Six (6) RGM-84L Harpoon Block II Surface Launched Missiles
- Twenty-three (23) Block II Rolling Airframe Missile (RAM) Tactical Missiles
- Six (6) MK 54 Mod 0 Lightweight Torpedoes

*Non-MDE includes:*

Also included are eight (8) MK 825 Mod 0 RAM Guided Missile Round Packs (GMRP) tri-pack shipping and storage containers; RAM Block 2 MK 44 Mod 4 Guided Missile Round Pack (GMRP); two (2) MK 32 Surface Vessel Torpedo Tubes (SVTT) triple tube launchers; two hundred and fifty (250) rounds of AA98 25 mm high explosive and semi-armor piercing ammunition; seven hundred and fifty (750) rounds A976 25mm target practice and tracer ammunition; four hundred and eighty (480) rounds of BA22 57mm high explosive programmable fuze ammunition; nine hundred and sixty (960) rounds of BA23 57mm practice ammunition; containers; spare and repair parts; support and test equipment; publications and technical documentation; personnel training and training equipment; U.S. Government and contractor representatives' technical assistance; engineering and logistics support services; installation services; associated electronics and hardware to control the launch of torpedoes; and other related elements of logistics and program support.

(iv) *Military Department:* Navy

(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:* January 5, 2018

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

**POLICY JUSTIFICATION***Government of Mexico—Harpoon Block II Missiles, RAM Missiles and MK 54 Torpedoes*

The Government of Mexico has requested to buy six (6) RGM-84L Harpoon Block II surface launched missiles, twenty-three (23) Block II Rolling Airframe Missile (RAM) tactical missiles and six (6) MK 54 Mod 0 lightweight torpedoes. Also included are eight (8) MK 825 Mod 0 RAM Guided Missile Round Packs (GMRP) tri-pack shipping and storage containers; RAM Block 2 MK 44 Mod 4 Guided Missile Round Pack (GMRP); two (2) MK 32 Surface Vessel Torpedo Tubes (SVTT) triple tube launchers; two hundred and fifty (250) rounds of AA98 25 mm high explosive and semi-armor piercing ammunition; seven hundred and fifty (750) rounds A976 25mm target practice and tracer ammunition; four hundred and eighty (480) rounds of BA22 57mm high explosive

programmable fuze ammunition; nine hundred and sixty (960) rounds of BA23 57mm practice ammunition; containers; spare and repair parts; support and test equipment; publications and technical documentation; personnel training and training equipment; U.S. Government and contractor representatives' technical assistance; engineering and logistics support services; installation services; associated electronics and hardware to control the launch of torpedoes; and other related elements of logistics and program support. The estimated cost is \$98.4 million.

This proposed sale will support the foreign policy and national security of the United States by helping to improve the security of a strategic partner. Mexico has been a strong partner in combating organized crime and drug trafficking organizations. The sale of these ship-based systems to Mexico will significantly increase and strengthen its maritime capabilities. Mexico intends to use these defense articles and services to modernize its armed forces and expand its existing naval and maritime support of national security requirements and in its efforts to combat criminal organizations.

Mexico intends to use the weapon systems on its Mexican Navy Sigma 10514 Class ship. The systems will provide enhanced capabilities in effective defense of critical sea lanes. The proposed sale of these systems and support will increase the Mexican Navy's maritime partnership potential and align its capabilities with existing regional navies. Mexico has not purchased these systems previously. Mexico will have no difficulty absorbing this equipment into its armed forces.

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

The equipment will be provided from U.S. stocks. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require annual trips to Mexico involving U.S. Government personnel and contractor representatives for technical reviews, support, and oversight for approximately two years.

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

Transmittal No. 17-63

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 MK 32 SVTT system is UNCLASSIFIED, but the system has one classified firmware card that controls launches. The system is currently in service in the U.S. Navy and in various other foreign nations that utilize shipboard launched torpedoes. The firmware card is essential to the ability of the system to successfully launch torpedoes when directed by the shipboard command and control system.

2. The RGM-84L Harpoon Surface Launched Block II missile system, to include publications, documentation, operations, supply, maintenance, and training to be conveyed with this proposed sale have the highest classification level of CONFIDENTIAL. The Harpoon Block II missile is a non-nuclear tactical weapon system currently in service in the U.S. Navy and in 29 other foreign nations. It provides a day, night, and adverse weather, standoff surface-to-surface capability and is an effective Anti-Surface Warfare missile. The RGM-84L incorporates components, software, and technical design information that are considered SENSITIVE.

3. The following components being conveyed by the proposed sale are considered sensitive and are classified CONFIDENTIAL:

- a. The Radar Seeker
- b. The GPS/INS System
- c. Operational Flight Program Software
- d. Missile operational characteristics and performance data

These elements are essential for the Harpoon Block II missile to selectively engage hostile targets under a wide range of operational, tactical and environmental conditions. The version being sold to Mexico is not the Coastal Target Suppression land attack missile version.

4. MK 54 All-Up-Round Lightweight (Warshot) torpedoes and associated support equipment, training, test equipment, and technical support; Recoverable Exercise Torpedoes (REXTORPs); and Exercise Torpedoes (EXTORPs) are associated with this sale. The MK 54 Lightweight Torpedo (LWT) can be launched from surface ships, helicopters, and fixed wing aircraft. The MK 54 LWT is an upgrade to the MK 46 Torpedo. The MK 54 LWT contains new sonar, guidance and control systems with modern technology. The new guidance and control system uses a mixture of commercial-off-the-shelf and custom-built electronics. The warhead, fuel tank, and propulsion system from the MK 46 torpedo are re-used in the MK 54 configuration with minor modifications. The MK 54 is highly

effective against modern diesel and nuclear submarines. It has advanced logic that allows it to detect and prosecute threat submarines operating in challenging littoral environments. It is also effective in the presence of advanced countermeasures that may be deployed by threat submarines. The assembled MK 54 torpedo and several of its individual components are classified CONFIDENTIAL. The MK 54 operational software is classified as SECRET as is any hardware upon which the software has been installed. Mexico has not requested nor will it be provided the source code for the MK 54 operational software. The MK 54 has a feature referred to as "Memory Scuttle" that erases the operational software at the conclusion of any exercise firing so that the software will not be compromised if the torpedo is not recovered after the exercise firing. Possession of MK 54 Torpedoes and associated equipment should not lead to any vulnerability disclosures.

5. 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.

6. A determination has been made that the Government of Mexico 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.

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

[FR Doc. 2018-00670 Filed 1-16-18; 8:45 am]

**BILLING CODE 5001-06-P**

## DEPARTMENT OF DEFENSE

### Office of the Secretary

[Transmittal No. 17-0C]

### 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:**

Pamela Young, (703) 697-9107, [pamela.a.young14.civ@mail.mil](mailto:pamela.a.young14.civ@mail.mil) or Kathy Valadez, (703) 697-9217, [kathy.a.valadez.civ@mail.mil](mailto:kathy.a.valadez.civ@mail.mil); DSCA/DSA-RAN.

**SUPPLEMENTARY INFORMATION:** This 36(b)(5)(C) 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 17-0C with attached Policy Justification.

Dated: January 11, 2018.

**Aaron Siegel,**

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

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