

have no difficulty absorbing this equipment into its armed.

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

The principal contractor will be determined at a later date. Material could potentially be sourced from a combination of stock and procurement. 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. Government or contractor representatives to Australia.

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

Transmittal No. 17–72

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 M795 Insensitive Munitions Explosive (IMX) 101 Explosive Fill 155mm HE Projectile is UNCLASSIFIED. The M231/M232A1 Modular Artillery Charge System (MACS) consists of two propelling charges, the M231 and the M232/232A1, and associated packaging. The system is compatible with all current and planned 155mm field artillery weapons. MACS uses a “build-a-charge” concept in

which increments are identical to all others in the same lot desiccation, retained for future use. The M231 is fired either singly (Charge 1-L) or in pairs (Charge-2L) to engage targets. The M232/M232A1 is fired in groups of 3 (Charge-3H) or groups of 4 (Charge-4H) or groups of 5 (Charge-5H) to engage targets. The highest classification level of the charge is UNCLASSIFIED.

2. Although the charges are UNCLASSIFIED, they have associated technology that is sensitive. Certain aspects of the performance, specifically the interior ballistics characteristics, and some of the design features are considered sensitive data. This UNCLASSIFIED sensitive data could be used by a technologically advanced potential enemy to duplicate the charges through reverse engineering. No technical data packages or test information should be supplied.

3. A determination has been made that Australia 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.

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

[FR Doc. 2018–08088 Filed 4–17–18; 8:45 am]

BILLING CODE 5001–06–P

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 18–04]

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* or Kathy Valadez, (703) 697–9217, *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 18–04 with attached Policy Justification.

Dated: April 12, 2018.

Shelly E. Finke,

Alternate OSD Federal Register Liaison Officer, Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-5408

APR 04 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. 18-04, concerning the Air Force's proposed Letter(s) of Offer and Acceptance to the Government of the United Kingdom 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,

Charles W. Hooper
Lieutenant General, USA
Director

Enclosures:

- 1. Transmittal
- 2. Policy Justification



Transmittal No. 18-04
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:* United Kingdom

(ii) *Total Estimated Value:*

| | |
|---------------------------|----------------------|
| Major Defense Equipment * | \$ 0 million |
| Other | \$500 million |
| TOTAL | \$500 million |

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

Non-MDE:

Defense articles and services for continued follow-on support to the MQ-9 Reaper program including: contractor logistics support, manpower and base support, publication and technical documentation, depot and organizational level maintenance and

equipment, minor modifications and upgrades, software support, spare and repair/return parts, program studies, U.S. Government and contractor engineering and technical support, and other related elements of program support.

(iv) *Military Department:* Air Force (UK-D-QDL)

(v) *Prior Related Cases, if any:* UK-D-SMI-\$375m-23 Feb 2007;

UK-D-SMJ—\$69m—11 Oct 2007;
 UK-D-YAC—\$20m—1 May 2008;
 UK-D-GAA—\$122k—19 Nov 2008;
 UK-D-YAF—\$24m—3 Mar 2011;
 UK-D-SMK—\$70m—17 Nov 2011;
 UK-D-QBH—\$20m—6 Aug 2013;
 UK-D-GAY—\$106m—10 Dec 2014;
 UK-D-QBQ—\$103m—11 Dec 2015;
 UK-D-YAY—\$134m—23 Aug 2016;
 UK-D-QBR—\$5m—30 Mar 2017;
 UK-D-VAC—\$5m—22 Mar 2017;
 UK-D-YAI—\$132m—8 May 2017

(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:* None.

(viii) *Date Report Delivered to Congress:* April 4, 2018

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

POLICY JUSTIFICATION

United Kingdom—MQ-9 Continuing Contractor Logistics Support

The Government of the United Kingdom has requested to buy defense articles and services for continued follow-on support to the MQ-9 Reaper program including: contractor logistics support, manpower and base support, publication and technical documentation, depot and organizational level maintenance and equipment, minor modifications and upgrades, software support, spare and repair/return parts, program studies, U.S. Government and contractor

engineering and technical support, and other related elements of program support. The total estimated program cost is \$500 million.

This proposed sale will support the foreign policy and national security policies of the United States by helping to improve 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 is required to maintain the operational readiness of the United Kingdom's MQ-9 Reaper program and enable the United Kingdom to continue to operate its fleet of MQ-9 Reapers in support of coalition operations. The United Kingdom will have no difficulty absorbing this equipment into its armed forces.

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

The prime contractors will be General Atomics Aeronautical Systems, Inc. in San Diego, CA, and MAG Aerospace in Woodland, VA. At this time, there are no known offset agreements. Any offset agreements will be defined in negotiations between the purchaser and the contractor(s).

Implementation of this proposed sale will not require any additional U.S. Government or contractor representatives to the United Kingdom.

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

[FR Doc. 2018-08086 Filed 4-17-18; 8:45 am]

BILLING CODE 5001-06-P

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 17-71]

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 or Kathy Valadez, (703) 697-9217, 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 17-71 with attached Policy Justification.

Dated: April 12, 2018.

Shelly E. Finke,

Alternate OSD Federal Register Liaison Officer, Department of Defense.