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DEPARTMENT OF DEFENSE

Office of the Secretary

(Transmittal No. 15-81)

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

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: Heather N. Harwell, DSCA/LMO, (703) 697-9217.

The following is a copy of a letter to the Speaker of the House of Representatives,

Transmittal 15-81 with attached Policy Justification.

Dated: March 10, 2016.

Aaron Siegel,
Alternate OSD Federal Register Liaison Officer,
Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-5406

MAR 09 2016

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. 15-81, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance to Indonesia for defense articles and services estimated to cost \$95 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,

for J. W. Rixey
Vice Admiral, USN
Director

Enclosures:

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



Transmittal No. 15-81

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: Indonesia

(ii) Total Estimated Value:

Major Defense Equipment*	\$ 80 million
Other	<u>\$ 15 million</u>
TOTAL	\$ 95 million

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

Major Defense Equipment (MDE):

Thirty-six (36) AIM-120C-7 Advanced Medium-Range Air-to-Air Missiles
(AMRAAMs)
One (1) Missile Guidance Section

Non-Major Defense Equipment (non-MDE):

Control section support equipment, spare parts, services, integration activities, logistics, technical contractor engineering and technical support, loading adaptors, technical publications, familiarization training, test equipment, and other related elements.

(iv) Military Department: Air Force (X7-D-YAB)

(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: 09 March 2016

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

POLICY JUSTIFICATION

Indonesia-AIM-120C-7 Advanced Medium-Range Air-to-Air Missiles (AMRAAMs)

The Government of Indonesia has requested a possible sale of thirty-six (36) AIM-120C-7 AMRAAMs and one (1) Missile Guidance Section. Also included in this possible sale are; control section support equipment, spare parts, services, logistics, technical contractor engineering and technical support, loading adaptors, technical publications, familiarization training, test equipment, and other related elements. The total estimated value of MDE is \$80 million. The overall total estimated value is \$95 million.

This proposed sale contributes to the foreign policy and national security of the United States by helping to improve the security of a key partner that has been, and continues to be, an important force for political stability and economic progress in the Asia-Pacific region.

The proposed sale improves Indonesia's capability to deter regional threats and strengthen its homeland defense. Indonesia is able to absorb this additional equipment and support into its armed forces.

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

The prime contractor will be determined by competition. 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 U.S. Government or contractor representatives to Indonesia.

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

Transmittal No. 15-81

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

Annex
Item No. vii

(vii) Sensitivity of Technology

1. AIM-120C-7 Advanced Medium Range Air-to-Air (AMRAAM) is a radar-guided missile featuring digital technology and micro-miniature solid-state electronics. AMRAAM capabilities include look-down/shoot-down, multiple launches against multiple targets, resistance to electronic countermeasures, and interception of high flying, low flying, and maneuvering targets. The AMRAAM All Up Round is classified CONFIDENTIAL. Major components and subsystems are classified up to CONFIDENTIAL, and technology data and other documentation are classified up to SECRET.

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 or equivalent systems that might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.

3. This 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.

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

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