



Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 17-31]

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 a section 36(b)(1) 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 17-31 with attached Policy Justification.

Dated: August 2, 2017.

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

JUL 10 2017

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. 17-31, concerning the Army's proposed Letter(s) of Offer and Acceptance to the Government of Australia for defense articles and services estimated to cost \$50 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



Transmittal No. 17-31

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 Australia

(ii) Total Estimated Value:

Major Defense Equipment*	\$49 million
Other	<u>\$ 1 million</u>
TOTAL	\$50 million

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

Major Defense Equipment (MDE):

Six thousand thirty (6,030) rounds of M865 120mm Target Practice Cone Stabilized Discarding Sabot-Tracer (TPCSDS-T) Tank Projectiles
Eight thousand six hundred ten (8,610) rounds of M1002 120mm Target Practice Multipurpose Tracer (TPMP-T) Tank Projectiles

Non-MDE includes:

Also included are U.S. Government technical assistance, technical data, and other related elements of logistical and program support.

(iv) Military Department: Army (XX-B-UJL)

(v) Prior Related Cases, if any: AT-B-UGR

(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: July 10, 2017

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

POLICY JUSTIFICATION

Australia – 120MM Tank Ammunition and Related Support Services

The Government of Australia has requested the possible sale of six thousand thirty (6,030) rounds of M865 120mm Target Practice Cone Stabilized Discarding Sabot-Tracer (TPCSDS-T) Tank Projectiles and eight thousand six hundred ten (8,610) rounds of M1002 120mm Target Practice Multipurpose Tracer (TPMP-T) Tank Projectiles. Also included are U.S. Government technical services, technical data, and other related elements of logistical and program support. The total estimated program cost is \$50 million.

This sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a major contributor to political stability, security, and economic development in the Western Pacific. Australia is an important Major non-NATO Ally and partner that contributes significantly to peacekeeping and humanitarian operations around the world. It is vital to the U.S. national interest to assist our ally in developing and maintaining a strong and ready self-defense capability.

The proposed sale of 120mm tank ammunition will improve Australia's capability to meet out-year operational readiness and training requirements. Australia will use this ammunition to help sustain necessary training levels for its tank operators. Australia 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.

This requirement will be provided from U.S. Army inventory. 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 to Australia.

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

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