Billing Code: 5001-06

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.

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

APR 0 4 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. 17-71, concerning the Navy's proposed Letter(s) of Offer and Acceptance to the Government of Germany for defense articles and services estimated to cost $2.50 billion. 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
3. Sensitivity of Technology

Transmittal No. 17-71

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 Germany

(ii) Total Estimated Value:

Major Defense Equipment*	$ .95 billion
Other	$1.55 billion
TOTAL	$2.50 billion

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

Major Defense Equipment (MDE):

Four (4) MQ-4C Triton Unmanned Aircraft Systems (UAS)
One (1) Mission Control Station (MCS) comprised of one (1) Main Operating Base (MOB) (MD-3A) and one (1) Forward Operating Base (FOB) (MD-3B)
Ten (10) Kearfott Inertial Navigation System/Global Positioning System (INS/GPS) units (2 per aircraft plus 2 spares)
Ten (10) LN-251 INS/GPS units (2 per aircraft plus 2 spares)

Non-MDE:

This proposed MQ-4C UAS sale will be a modified version of the USN Triton configuration. Also included is one Rolls Royce Engine (spare), communication equipment, support equipment, mission planning element to include Joint Mission Planning System (JMPS) Global Positioning System (GPS) items, Communications Security (COMSEC) equipment, mapping, training, support equipment, consumables, spare and repair parts, tools and test equipment, ground support equipment, flight test support, airworthiness support, personnel training and training devices, applicable software, hardware, publications and technical data, facilities and maintenance support, U.S. Government and contractor engineering, technical, and logistics supports services, and other elements of unique engineering efforts required to support the integration, installation and functional platform compatibility testing of Germany's indigenous payload and other related elements of logistics and program support, and other related elements of logistics and program support.

(iv) Military Department: Navy (GY-P-SCK)

(v) Prior Related Cases, if any: GY-P-GPT

(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: April 4, 2018

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

POLICY JUSTIFICATION

Germany – MQ-4C Triton Unmanned Aircraft Systems (UAS)

The Government of Germany has requested to buy four (4) MQ-4C Triton Unmanned Aircraft Systems (UAS), one (1) Mission Control Station (MCS) comprised of one (1) Main Operating Base (MOB) (MD-3A) and one (1) Forward Operating Base (FOB) (MD-3B), ten (10) Kearfott Inertial Navigation System/Global Positioning System (INS/GPS), units (2 per aircraft plus 2 spares), and ten (10) LN-251 INS/GPS units (2 per aircraft plus 2 spares). This proposed MQ-4C UAS sale will be a modified version of the USN Triton configuration. Also included is one Rolls Royce Engine (spare), communication equipment, support equipment, mission planning element to include Joint Mission Planning System (JMPS) Global Positioning System (GPS) items, Communications Security (COMSEC) equipment, mapping, training, support equipment, consumables, spare and repair parts, tools and test equipment, ground support equipment, flight test support, airworthiness support, personnel training and training devices, applicable software, hardware, publications and technical data, facilities and maintenance support, U.S. Government and contractor engineering, technical, and logistics supports services, and other elements of unique engineering efforts required to support the integration, installation and functional platform compatibility testing of Germany's indigenous payload and other related elements of logistics and program support, and other related elements of logistics and program support. The estimated total case value is $2.50 billion.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a NATO ally which has been, and continues to be, an important force for political and economic stability in Europe.

Germany is one of the major political and economic powers in Europe and NATO and a key partner of the United States in ensuring global peace and stability. The proposed sale of the MQ-4C Triton will support legitimate national security requirements and significantly enhance Germany's intelligence, surveillance, and reconnaissance (ISR) capabilities and the overall collective security of the European Union and NATO.

The proposed sale of the MQ-4C Triton will close a crucial capability gap and will enhance bilateral and NATO interoperability and will help ensure that Germany is able to continue to monitor and deter regional threats. This proposed MQ-4C UAS sale will be a modified version of the United States Navy (USN) Triton configuration. The German Armed Forces will have no difficulty absorbing these systems into its armed forces.

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

The prime contractor will be Northrop Grumman Corporation Rancho Bernardo, CA, responsible for integration, installation and functional platform compatibility testing of the payload. Airbus Defence and Space, located in Germany, will be the prime contractor to Germany for the development and manufacturing, and will be responsible for the functional test, end-to-end test and installed performance. There are no known offset agreements in connection with this

potential sale.

Implementation of this proposed sale will require the assignment of contractor representatives to Germany to perform contractor logistics support and to support establishment of required security infrastructure.

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

Transmittal No. 17-71

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 MQ-4C Triton hardware and software procured for this potential sale are UNCLASSIFIED. The MQ-4C is optimized for long range and prolonged flight endurance. The MQ-4C Triton will be a forward deployed, land-based, autonomously operated system that provides a persistent maritime Intelligence, Surveillance, and Reconnaissance (ISR) capability to include data collection, analysis, and situational reporting. Aircraft system, sensor, and navigational status are provided continuously to the ground operators through a health and status downlink for mission monitoring. Navigation is via inertial navigation with integrated global positioning system (GPS) updates. The vehicle is capable of operating from a standard paved runway. Real time missions are flown under the control of a pilot in a Mission Control Station (MCS). It is designed to carry a non-weapons maximum internal payload of 3,200 lbs, maximum external payload of 2,400 lbs, consisting primarily of sensors and avionics. The MQ-4C will include the Mission Control Station (MCS) which consists of the following components:

a. The Mission Control Station (MCS) is the MQ-4C Triton UAS ground control station required to operate the MQ-4C Triton UAS. The MOB MCS (MD-3A) provides MQ-4C Triton Aircraft Command & Control (C2). The MOB MCS consists of a primary and back-up system, an embedded training capability, requisite data links, communication systems, antennas, computer work-stations and hardware/software for air vehicle, and tactical coordinator. The MOB MCS communications consists of both Line of Sight (LOS) and Beyond Line of Sight (BLOS) capabilities to control the Triton Unmanned Aircraft world-wide. The MOB technical data and documentation are UNCLASSIFIED.

b. The MQ-4C Triton UAS Forward Operating Base (FOB) (MD-3B) is used for aircraft launch and recovery and is physically located at the same location as the MQ-4C Triton aircraft. The FOB MCS is similar to the MOB MCS, but the FOB MCS does not process or control any payload information. The FOB MCS is manned by air vehicle operators only and used for line of sight Aircraft C2 while beyond line of sight control is used as a back-up communication line. The FOB MCS consists of requisite data links, communication systems, antennas, computer work-stations and hardware/software for air vehicle operator control. The FOB technical data and documentation are UNCLASSIFIED.

c. The MQ-4C employs a quad-redundant Inertial Navigation System/Global Positioning System (INS/GPS) configuration. The system utilizes two different INS/GPS systems for

greater redundancy. The system consists of two LN-251 units and two Kearfott KN-4074E INS/GPS Units. The LN-251 is a fully integrated, non-dithered navigation system with an embedded Selective Availability/Anti-Spoofing Module (SAASM), P(Y) code or Standard Positioning Service (SPS) GPS. It utilizes a Fiber-Optic Gyro (FOG) and includes three independent navigation solutions: blended INS/GPS, INS-only, and GPS-only. The Kearfott KN-4074E features a Monolithic Ring Laser Gyro (MRLG) and accelerometer. The inertial sensors are tightly coupled with an embedded SAASM P(Y) code GPS. Both systems employ crypto graphic technology that can be classified up to SECRET.

2. If a technologically advanced adversary were to obtain knowledge of specific hardware, the information could be used to develop countermeasures which might reduce weapons system effectiveness or be used in the development of a system with similar or advanced capabilities.

3. A determination has been made that Germany can provide substantially the same degree of protection for sensitive technology being released as the U.S. Government. This proposed sustainment program is necessary to the furtherance of the U.S. foreign policy and national security objectives outlined in the policy justification.

4. All defense articles and services listed on this transmittal are authorized for release and export to the Government of Germany.

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