

DEPARTMENT OF DEFENSE**Office of the Secretary**

[Transmittal Nos. 07-47]

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 21 July 1996.

FOR FURTHER INFORMATION CONTACT: Ms. B. English, DSCA/DBO/CFM, (703) 601-3740.

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

Representatives, Transmittals 07-47 with attached transmittal, policy justification, and sensitivity of technology.

Dated: August 8, 2007.

C.R. Choate,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

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DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

AUG 08 2007

**In reply refer to:
I-07/009147-CFM**

**The Honorable Nancy Pelosi
Speaker of the House of Representatives
Washington, DC 20515-6501**

Dear Madam 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. 07-47, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to Canada for defense articles and services estimated to cost \$209 million. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,

A handwritten signature in cursive script that reads "Richard J. Millies".

**Richard J. Millies
Deputy Director**

Enclosures:

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

Transmittal No. 07-47

**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:** Canada
- (ii) **Total Estimated Value:**
- | | |
|--------------------------|----------------------|
| Major Defense Equipment* | \$ 85 million |
| Other | <u>\$124 million</u> |
| TOTAL | \$209 million |
- (iii) **Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:** 59 AN/ALR-67(V)3 Radar Warning Receivers, 24 AN/ALR-67(V)3 Partial Ship-sets, test program sets, adaptors, test sets and support equipment, spare and repair parts, personnel training and training equipment, technical assistance, and other related elements of logistics support.
- (iv) **Military Department:** Navy (LIE)
- (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 Annex attached
- (viii) **Date Report Delivered to Congress:** AUG 03 2007

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

POLICY JUSTIFICATION**Canada - AN/ALR-67(V)3 Radar Warning Receivers**

The Government of Canada has requested a possible sale of 59 AN/ALR-67(V)3 Radar Warning Receivers, 24 AN/ALR-67(V)3 partial ship-sets, test program sets, adaptors, test sets and support equipment, spare and repair parts, personnel training and training equipment, technical assistance, and other related elements of logistics support. The estimated cost is \$209 million.

This proposed sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of Canada and further weapon system standardization and interoperability with U.S. forces. Canadian deployments in support of peacekeeping and humanitarian operations have made a significant impact to global political and economic stability and have served U.S. national security interests.

Canada plans to upgrade avionics on its F/A-18 aircraft. The AN/ALR-67(V)3 features will provide a capability common to other coalition military forces.

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

Implementation of this proposed sale will require the assignment of two contractor representatives to Canada. United States Government and contractor representatives participating in technical reviews for one-week intervals twice annually.

The principal contractors will be: Raytheon Corporation in Waltham, Massachusetts and Boeing Company in St. Louis, Missouri. There are no known offset agreements proposed in connection with this potential sale.

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

highly sensitive equipment, the technology could be easily absorbed; thereby permitting development of countermeasures which could reduce overall weapon system effectiveness.

Transmittal No. 07-47**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 AN/ALR-67(V)3 Electric Warfare Countermeasures Receiving Set is classified Confidential. The AN/ALR-67(V)3 provides the F/A-18 aircrew with radar threat warnings by detecting and evaluating friendly and hostile radar frequency threat emitters and providing identification and status information about the emitters to on-board Electronic Warfare (EW) equipment and the aircrew. The Operational Flight Program (OFP) and User Data Files (UDF) used in the AN/ALR-67(V)3 are classified Secret. Those software programs contain threat parametric data used to identify and establish priority of detected radar emitters.

2. If a technologically capable adversary were to obtain knowledge of this highly sensitive equipment, the technology could be easily absorbed; thereby permitting development of countermeasures which could reduce overall weapon system effectiveness.