

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

The prime contractor for the SM-3 Block IIA All Up Rounds will be Raytheon Missile Systems, Tucson, Arizona. The prime contractor for the MK 29 Canisters and PHS&T kits will be BAE Systems, Minneapolis, Minnesota. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require annual trips to Japan involving U.S. Government and contractor representatives for technical reviews, support, and oversight for approximately five years.

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

TRANSMITTAL NO. 19-41

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 proposed sale will involve the release of sensitive technology to the Government of Japan related to the Standard Missile-3 (SM-3):

The ship- or ground-launched SM-3 Block IIA is the most recent iteration in the SM-3 family. It has two distinct new features: larger rocket motors that will allow it to defend broader areas from ballistic missile threats; and a larger kinetic warhead. The kinetic warhead has been enhanced, improving the search, discrimination, acquisition and tracking functions, to address emerging threats. Once enclosed in the canister, the SM-3 Block IIA missile is classified CONFIDENTIAL. The optics hardware and signal processor are classified 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 that might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.

3. The sensitive technology being released under this notification is subject to special security measures. 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 are authorized for release and export to the Government of Japan.

ARMS SALES NOTIFICATION

Mr. RISCH. Madam President, section 36(b) of the Arms Export Control Act requires that Congress receive prior notification of certain proposed arms sales as defined by that statute. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Senate Foreign Relations Committee.

In keeping with the committee's intention to see that relevant information is available to the full Senate, I ask unanimous consent to have printed in the RECORD the notifications which have been received. If the cover letter references a classified annex, then such annex is available to all Senators in the office of the Foreign Relations Committee, room SD-423.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEFENSE SECURITY
COOPERATION AGENCY,
Arlington, VA.

Hon. JAMES E. RISCH,
Chairman, Committee on Foreign Relations,
U.S. Senate,
Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 19-28 concerning the Navy's proposed Letter(s) of Offer and Acceptance to the Republic of Korea for defense articles and services estimated to cost \$72 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,

GREGORY M. KAUSNER
(For Charles W. Hooper, Lieutenant
General, USA, Director).

Enclosures.

TRANSMITTAL NO. 19-28

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: Republic of Korea.

(ii) Total Estimated Value:
Major Defense Equipment * \$37 million.
Other \$35 million.
Total \$72 million.

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

Major Defense Equipment (MDE):
Up to thirty-one(31) MK 54 All Up Round Lightweight Torpedoes.

Non-MDE: Also included are torpedo containers, Recoverable Exercise Torpedoes (REXTORP) with containers, Fleet Exercise Section (FES) and fuel tanks, air launch accessories for fixed wing, torpedo spare parts, training, publications, support and test equipment, U.S. Government and contractor engineering, technical, and logistics support services, and other related elements of logistics and program support.

(iv) Military Department: Navy (KS-P-AMP).

(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: August 27, 2019.

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

POLICY JUSTIFICATION

Korea—MK 54 Lightweight Torpedoes

The Republic of Korea (ROK) has requested to buy thirty-one (31) MK 54 All Up Round lightweight torpedoes. Also included are torpedo containers, Recoverable Exercise Torpedoes (REXTORP) with containers, Fleet Exercise Section (FES) and fuel tanks, air launch accessories for fixed wing, torpedo spare parts, training, publications, support and test equipment, U.S. Government and contractor engineering, technical, and logistics support services, and other related elements of logistics and program support. The total estimated program cost is \$72 million.

This proposed sale will support the foreign policy and national security objectives of the United States by meeting the legitimate security and defense needs of one of the closest allies in the INDO-PACOM Theater. The Republic of Korea is one of the major political and economic powers in East Asia and

the Western Pacific and a key partner of the United States in ensuring peace and stability in that region. It is vital to U.S. national interests to assist the Republic of Korea in developing and maintaining a strong and ready self-defense capability.

The Republic of Korea Navy intends to utilize MK 54 Lightweight Torpedoes on its P-8A aircraft. The ROK 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.

The principal contractor will be Raytheon Integrated Defense System, Portsmouth, Rhode Island. There are no known offset agreements proposed in connection with this potential sale. Any offset agreement will be defined in negotiations between the Purchaser and the prime contractor.

Implementation of the proposed sale will not require the assignment of any additional U.S. Government or contractor representatives to the ROK. However, U.S. Government Engineering and Technical Services may be required on an interim basis for training and technical assistance

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

TRANSMITTAL NO. 19-28

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 MK 54 Torpedo is a conventional torpedo that can be launched from surface ships and rotary and fixed wing aircraft. The MK 54 is an upgrade to the MK 46 Torpedo. The upgrade to the MK 54 entails replacement of the torpedo's sonar and guidance and control systems with more modern technology. The new guidance and control system uses a mixture of commercial-off-the-shelf and custom-built electronics. The warhead, fuel tank and propulsion system from the MK 46 torpedo are re-used in the MK 54 configuration with minor modifications. The assembled MK 54 torpedo and several of its individual components are classified CONFIDENTIAL. The MK 54 operational software is classified as SECRET. The Republic of Korea has not requested nor will it be provided with the source code for the MK 54 operational software.

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

3. A determination has been made that the recipient government can provide substantially the same degree of protection for the technology being released as the U.S. Government. This sale supports the U.S. foreign policy and national security objectives as outlined in the Policy Justification.

4. All defense articles and services listed in this transmittal have been authorized for release and export to the Republic of Korea.

ARMS SALES NOTIFICATION

Mr. RISCH. Madam President, section 36(b) of the Arms Export Control Act requires that Congress receive prior notification of certain proposed arms sales as defined by that statute. Upon such notification, the Congress has 30 calendar days during which the