

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 00-21]

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 P.L. 104-164 dated 21 July 1996.

FOR FURTHER INFORMATION CONTACT: Ms. J. Hurd, DSCA/COMPT/RM, (703) 604-6575.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 00-21 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: November 15, 1999.

Patricia L. Toppings,
Alternate OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5001-10-M



DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

3 NOV 1999
In reply refer to:
I-99/001028

Honorable J. Dennis Hastert
Speaker of the House of
Representatives
Washington, D.C. 20515-6501

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 00-21, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to the Republic of Korea for defense articles and services estimated to cost \$4.2 billion. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

A handwritten signature in black ink, appearing to read "MS Davison".

MICHAEL S. DAVISON, JR.
LIEUTENANT GENERAL, USA
DIRECTOR

Attachments

Same ltr to: **House Committee on International Relations**
Senate Committee on Appropriations
Senate Committee on Foreign Relations
House Committee on National Security
Senate Committee on Armed Services
House Committee on Appropriations

Transmittal No. 00-21

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

- (i) Prospective Purchaser: Republic of Korea
- (ii) Total Estimated Value:
- | | |
|--------------------------|-----------------------|
| Major Defense Equipment* | \$ 3.1 billion |
| Other | \$ <u>1.1 billion</u> |
| TOTAL | \$ 4.2 billion |
- (iii) Description of Articles or Services Offered: Fourteen PATRIOT Advance Capability 3 (PAC 3) fire units consisting of: 14 AN/MPQ-53 radar sets, 14 AN/MSQ-104 engagement control stations, 76 M091 launching stations, 31 OA-9054(V)41G antenna mast groups, 14 electric power plants with dual 150kw generators; 616 MIM-104D missiles; 333 SINCGARS, Cooperative Logistics Supply Support Arrangement, PATRIOT Field Army Support Center and trainers, trucks, trailers, fuzes, communication relay groups, power units, information coordination centrals, battalion maintenance group and equipment, tool kits, publications and technical documentations, calibration equipment, transporters, precision lightweight global positioning system receiver, kits, generators, shop and tool equipment, spare and repair parts, support and test equipment, personnel training and training equipment, U.S. Government and contractor engineering and logistics support services, Quality Assurance Team and Mobile Training Teams, technical assistance and support, and other related elements of logistics support.
- (iv) Military Department: Army (YTC, YTD, BPJ, BPK, OFQ, KVZ, and KWP)
- (v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: none
- (vi) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Annex attached.
- (vii) Date Report Delivered to Congress: 3 NOV 1999

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

POLICY JUSTIFICATION

Republic of Korea - PATRIOT Advance Capability-3 Fire Unit and Missiles

The Republic of Korea has requested a possible sale of 14 PATRIOT Advance Capability 3 (PAC 3) fire units consisting of: 14 AN/MPQ-53 radar sets, 14 AN/MSQ-104 engagement control stations, 76 M091 launching stations, 31 OA-9054(V)41G antenna mast groups, 14 electric power plants with dual 150kw generators; 616 MIM-104D missiles; 333 SINCGARS, Cooperative Logistics Supply Support Arrangement, PATRIOT Field Army Support Center and trainers, trucks, trailers, fuzes, communication relay groups, power units, information coordination centrals, battalion maintenance group and equipment, tool kits, publications and technical documentations, calibration equipment, transporters, precision lightweight global positioning system receiver, kits, generators, shop and tool equipment, spare and repair parts, support and test equipment, personnel training and training equipment, U.S. Government and contractor engineering and logistics support services, Quality Assurance Team and Mobile Training Teams, technical assistance and support, and other related elements of logistics support. The estimated cost is \$4.2 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 friendly country which has been and continues to be an important force for political stability and economic progress in Northeast Asian.

This proposed sale will enhance their defensive capability against hostile neighbors lessening the burden on the United States. Korea will have no difficulty absorbing the PAC 3 and missiles into its armed forces.

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

The prime contractor will be Raytheon Corporation, Andover, Massachusetts. One or more proposed offset agreements may be related to this proposed sale.

Implementation of this proposed sale will require the assignment of 26 contractor representatives up to two years. There may be a Quality Assurance Team in-country periodically as the program proceeds.

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

Transmittal No. 00-21

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

Annex
Item No. vi

(vi) Sensitivity of Technology:

1. The AN/MPQ-53 semi-trailer mounted radar set and MIM-104D missiles including seeker and fuze are classified Confidential elements of the PATRIOT Missile System. Parts of the Technical Data Package are classified Confidential or Secret. The highest level of classified information required to be released for training, operation, and maintenance of the PATRIOT missiles system is Secret. The highest level which could be revealed through reverse engineering or testing of the end item is Secret. This information includes Confidential and Secret reports and test data, as well as performance and capability data classified Confidential/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 which 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 Korea can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.