

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 00-07]

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. 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 00-07 with attached transmittal, policy justification, and Sensitivity of Technology.

BILLING CODE 5001-10-M



DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

26 OCT 1999
In reply refer to:
I-99/011840

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. 00-07, 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 \$498 million. 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 "M. S. Davison, Jr.", written in a cursive style.

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. 00-07**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* | \$ 348 million |
| Other | \$ <u>150 million</u> |
| TOTAL | \$ 498 million |
- (iii) **Description of Articles or Services Offered:** Twenty-nine Multiple Launch Rocket Systems (MLRS) with fire control panels, 281 MLRS extended range rocket pods (six rockets per pod), 120 reduced range practice rocket pods (six rockets per pod), one MLRS fire control proficiency trainer, 111 M39 Army Tactical Missile Systems (ATACMS) Block 1 guided missile and launching assemblies, training and test devices, trucks, missile systems software, U.S. Government and contractor engineering and logistics services, U.S. Government Quality Assurance Team(s) (QATs), spare and repair parts, personnel training and training equipment, publications and technical data, Cooperative Logistics Supply Support Arrangement (CLSSA), support equipment, maintenance support of repairable material and other related elements of program support.
- (iv) **Military Department:** Army (YUJ; YUI; BOL, Amd 2; OFN, Amd 1; and KWU)
- (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:** 29 OCT 1999

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

POLICY JUSTIFICATION

Republic of Korea - Multiple Launch Rocket Systems

The Republic of Korea has requested the purchase of 29 Multiple Launch Rocket Systems (MLRS) with fire control panels, 281 MLRS extended range rocket pods (six rockets per pod), 120 reduced range practice rocket pods (six rockets per pod), one MLRS fire control proficiency trainer, 111 M39 Army Tactical Missile Systems (ATACMS) Block 1 guided missile and launching assemblies, training and test devices, trucks, missile systems software, U.S. Government and contractor engineering and logistics services, U.S. Government Quality Assurance Team(s) (QATs), spare and repair parts, personnel training and training equipment, publications and technical data, Cooperative Logistics Supply Support Arrangement (CLSSA), support equipment, maintenance support of repairable material and other related elements of program support. The estimated cost is \$498 million.

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 Asia.

The proposed sale will enable the Korean Army to continue developing a defensive area fire capability to counter hostile long range artillery and rocket systems as well as enhance its interoperability with U.S. forces. The ROK will have no difficulty absorbing these surface-to-surface missiles in 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 Lockheed Martin Vought Systems (LMVS), Dallas, Texas. One or more proposed offset agreements may be related to this proposed sale.

Implementation of this sale will require the assignment of several U.S. Government Quality Assurance Teams to Korea for periods ranging from 30 to 45 days to assist in the delivery and deployment of the MLRS and ATACMS missile systems. Three contractor technical representatives will be assigned in-country for a minimum period of up to two years following initial deployment of the missile systems.

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

Transmittal No. 00-07**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 Multiple Launch Rocket System (MLRS) is a free flight artillery rocket system designed to deliver counter-battery fire and suppress enemy air defense systems. The basic warhead carries a load of improved conventional sub-munitions (grenades) that are scattered over a wide area of the battlefield. The MLRS consists of several unclassified sub-systems; the self-propelled launcher the preloaded launcher pods and the fire control system. A major part of the fire control element is the Lightweight Computer Unit which receives digital firing data from a forward observer, computes range and deflection information and transmits this information to the rocket launcher crew.

2. The Army Tactical Missile System (ATACMS) Block 1 is a ground-launched missile system consisting of a surface-to-surface missile with an anti-personnel/anti-materiel Warhead. The ATACMS missiles are fired from the MLRS M270 launcher and are deployed within the ammunition loads of corps MLRS battalions and/or division artillery MLRS batteries. The ATACMS is air transportable and provides a deep fire missile system that operates in near all-weather conditions, day or night. The range of these missiles (168 km) does not exceed the Missile Technology Control Regime threshold.

3. The highest level of classified information required to be released for training, operation and maintenance of the Multiple Launch Rocket System extended range (MLRS-ER) rocket pods is Confidential. The highest level of information which could be revealed through reverse engineering or testing of the end item is Secret. MLRS-ER technical data and information includes Confidential and Secret reports and data, as well as performance and capability data, classified Confidential/Secret.

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

5. 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.

Dated: November 3, 1999.

L.M. Bynum,

*Alternate OSD Federal Register Liaison
Officer, Department of Defense.*

[FR Doc. 99-29233 Filed 11-8-99; 8:45 am]

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