



DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 22-43]

Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense (DoD).

ACTION: Arms sales notice.

SUMMARY: The DoD is publishing the unclassified text of an arms sales notification.

FOR FURTHER INFORMATION CONTACT: Neil Hedlund at neil.g.hedlund.civ@mail.mil or (703) 697-9214.

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 22-43 with attached Policy Justification and Sensitivity of Technology.

Dated: June 2, 2024.

Aaron T. Siegel,

Alternate OSD Federal Register Liaison Officer,

Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY
2800 Defense Pentagon
Washington, DC 20301-2800

July 15, 2022

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
H-209, The Capitol
Washington, DC 20515

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. 22-43, concerning the Navy's proposed Letter(s) of Offer and Acceptance to the Republic of Korea for defense articles and services estimated to cost \$130 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,

A handwritten signature in black ink, reading "James A. Hursch", is positioned above the typed name and title.

James A. Hursch
Director

Enclosures:

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

Transmittal No. 22-43

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*	\$ 44 million
Other	\$ <u>86 million</u>
TOTAL	\$130 million

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

Major Defense Equipment (MDE):

Thirty-one (31) MK 54 All Up Round Lightweight Torpedoes

Non-MDE:

Also included is Recoverable Exercise Torpedo (REXTORP); Storage and Issue (S&I) facility; air launch accessories for rotary wing; classified and unclassified torpedo spare parts; torpedo containers; torpedo support equipment to include test equipment and tools; torpedo support services; classified and unclassified books and other publications; other technical assistance to include technical support, technical program management, infrastructure support, test equipment sustainment, exercise firing assistance, contract management, and initial Follow-on-Technical Support (FOTS); return and repair support; torpedo training; and other related elements of logistical and program support.

(iv) Military Department: Navy (KS-P-ANF)

(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 Attached Annex

(viii) Date Report Delivered to Congress: **July 15, 2022**

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

POLICY JUSTIFICATION

Korea – MK 54 Lightweight Torpedoes

The Republic of Korea (ROK) requests to buy thirty-one (31) MK 54 All Up Round Lightweight Torpedoes. Also included is REXTORP; S&I facility; air launch accessories for rotary wing; classified and unclassified torpedo spare parts; torpedo containers; torpedo support equipment to include test equipment and tools; torpedo support services; classified and unclassified books and other publications; other technical assistance to include technical support, technical program management, infrastructure support, test equipment sustainment, exercise firing assistance, contract management, and initial Follow-on-Technical Support FOTS; return and repair support; torpedo training; and other related elements of logistical and program support. The estimated total program cost is \$130 million.

This proposed sale will support the foreign policy goals and national security objectives of the United States by improving the security of a major ally that is a force for political stability and economic progress in the Indo-Pacific region.

The proposed sale will improve the ROK's capability to meet current and future threats by defending its homeland and U.S. personnel stationed there. The ROK will have no difficulty absorbing this equipment into its armed forces. Korea intends to utilize the MK 54 Lightweight Torpedoes on their MH-60R aircraft.

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

The principal contractor will be determined upon contract award.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government or contractor representatives to the Republic of Korea; 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.

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, rotary and fixed wing aircrafts. 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 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.
2. The highest level of classification of defense articles, components, and services included in this potential sale is SECRET.
3. If a technologically advanced adversary were to obtain knowledge of the hardware and software elements, the information could be used to develop countermeasures or equivalent systems which might reduce system effectiveness or be used in the development of a system with similar or advanced capabilities.
4. A determination has been made that the Republic of 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.
5. All defense articles and services listed in this transmittal have been authorized for release and export to the Republic of Korea.