



DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 23-88]

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: Pamela Young at (703) 953-6092, pamela.a.young14.civ@mail.mil, or dsca.ncr.rsrcmgmt.list.cns-mbx@mail.mil

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 with attached Transmittal 23-88, Policy Justification, and Sensitivity of Technology.

Dated: November 21, 2024.

Stephanie J. Bost,

Alternate OSD Federal Register Liaison Officer,

Department of Defense.



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

December 7, 2023

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

Dear Mr. 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. 23-88, concerning the Navy's proposed Letter(s) of Offer and Acceptance to the Government of Germany for defense articles and services estimated to cost \$300 million. We will issue a news release to notify the public of this proposed sale upon delivery of this letter to your office.

Sincerely,

A handwritten signature in black ink that reads "James A. Hursch".

James A. Hursch
Director

Enclosures:

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

Transmittal No. 23-88

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: Government of Germany
- (ii) Total Estimated Value:
- | | |
|--------------------------|----------------------|
| Major Defense Equipment* | \$158 million |
| Other | <u>\$142 million</u> |
| TOTAL | \$300 million |
- (iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:
- Major Defense Equipment (MDE):
Up to eighty (80) MK 54 All Up Round Lightweight Torpedoes (LWT)
- Non-MDE:
Also included are MK 54 Mod 0 LWT spare parts; Recoverable Exercise Torpedoes (REXTORPs) with containers; handling shapes and containers; torpedo spare parts; tools for mounting and dismounting of Air Launch Accessories (ALAs); equipment for analysis of REXTORP exercise shots; REXTORP maintenance equipment; training; publications; support and test equipment; United States (U.S.) Government and contractor engineering, technical, and logistics support services; and other related elements of logistics and program support.
- (iv) Military Department: Navy (GY-P-ALF)
- (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: **December 7, 2023**

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

POLICY JUSTIFICATION

Germany – MK 54 Lightweight Torpedoes

The Government of Germany has requested to buy up to eighty (80) MK 54 All Up Round Lightweight Torpedoes (LWT). Also included are MK 54 Mod 0 LWT spare parts; Recoverable Exercise Torpedoes (REXTORPs) with containers; handling shapes and containers; torpedo spare parts; tools for mounting and dismounting of Air Launch Accessories (ALAs); equipment for analysis of REXTORP exercise shots; REXTORP maintenance equipment; 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 estimated total program cost is \$300 million.

This proposed sale will support the foreign policy and national security of the United States by improving the security of a NATO Ally that is an important force for political and economic stability in Europe.

The proposed sale will improve Germany's capability to meet current and future threats by upgrading Anti-Submarine Warfare capabilities on its P-8A aircraft. Germany 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 Systems, Portsmouth, RI. There are no known offset agreements proposed in connection with this potential sale.

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