



## DEPARTMENT OF DEFENSE

### Office of the Secretary

[Transmittal No. 24-25]

### 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](mailto:pamela.a.young14.civ@mail.mil), or [dsca.ncr.rsrmgmt.list.cns-mbx@mail.mil](mailto:dsca.ncr.rsrmgmt.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 24-25, Policy Justification, and Sensitivity of Technology.

Dated: January 16, 2025.

**Stephanie J. Bost,**

*Alternate OSD Federal Register Liaison Officer,*

*Department of Defense.*



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

March 7, 2024

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. 24-25, concerning the Navy's proposed Letter(s) of Offer and Acceptance to the Republic of Korea for defense articles and services estimated to cost \$170.6 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, reading "James A. Hursch", is positioned above the printed name and title.

James A. Hursch  
Director

Enclosures:

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

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* | \$ 6.9 million         |
| Other                    | <u>\$163.7 million</u> |
| TOTAL                    | \$170.6 million        |
- (iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:
- Major Defense Equipment (MDE):  
Five (5) BQM-177A Subsonic Sea-Skimming Aerial Targets (SSAT) for KDX-III  
Batch-II AEGIS Class Destroyers
- Non-MDE:  
Also included are GQM-163 target drones; classified books and other publications (technical and non-technical); test support; technical documentation; personnel training; 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 (KS-P-GTP)
- (v) Prior Related Cases, if any: None
- (vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None known at this time
- (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: **March 7, 2024**

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

## POLICY JUSTIFICATION

### Republic of Korea – Subsonic Sea-Skimming Aerial Targets for KDX-III Batch-II AEGIS Class Destroyers

The Republic of Korea has requested to buy five (5) BQM-177A Subsonic Sea-Skimming Aerial Targets (SSAT) for KDX-III Batch-II AEGIS Class Destroyers. Also included are GQM-163 target drones; classified books and other publications (technical and non-technical); test support; technical documentation; personnel training; U.S. Government and contractor engineering, technical, and logistics support services; and other related elements of logistics and program support. The estimated total cost is \$170.6 million.

This proposed sale will support the foreign policy goals and national security objectives of the U.S. 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 Republic of Korea's capability to meet current and future threats by performing Combat System Ship Qualification Trials (CSSQT) for its new KDX-III Batch-II AEGIS Class Destroyers. The KDX-III Batch-II CSSQT efforts will demonstrate the ship's ability to safely and effectively launch and control weapons, demonstrate proper integrated hardware operation, demonstrate system performance based on key requirements, and provide realistic training for the shipboard anti-air warfare firing teams. The Republic of Korea 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 for the BQM-177A SSAT will be Kratos Defense, Sacramento, CA, and Fort Walton Beach, FL. The principal contractor for the GQM-163A target drones will be Northrop Grumman, Chandler, AZ. 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 the Republic of Korea.

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 BQM-177A Subsonic Sea-Skimming Aerial Target (SSAT) is a subsonic target with capabilities to provide realistic threat representation. This aerial target replicates modern subsonic Anti-Ship Cruise Missile threats in support of fleet training and developmental, and operational testing of major Department of Defense and international weapon systems. The BQM-177A aerial targets support live-fire Test and Evaluation events for AEGIS, SM-6, SM-2, Rolling Airframe Missile (RAM), Evolved Sea Sparrow Missile (ESSM), and fleet training events. The BQM-177A assets for this potential sale will not be physically delivered to the Republic of Korea. They will remain in U.S. Navy (USN) custody and reserved as an allocation to the Republic of Korea until they are required at the USN Pacific Missile Range Facility (PMRF) to support the KDX-III Batch-II AEGIS Class Destroyers' (DDG 995, DDG 996, and DDG 997) Combat System Ship Qualification Trials (CSSQT).
2. The GQM-163A Coyote is a non-recoverable supersonic sea-skimming aerial target capable of speeds in excess of Mach 2.7, cruising altitudes from 13 to 66 feet, high diving speeds at Mach 3.9, and cruising altitudes up to 52,000 feet. This aerial target replicates a family of supersonic sea-skimming anti-ship cruise missile threats to meet critical Test and Evaluation requirements of Ship Self-Defense Systems (SSDS) and fleet training. The GQM-163A aerial target supports live-fire Test and Evaluation events for AEGIS, SM-6, SM-2, RAM, ESSM, and fleet training events. The GQM-163A assets for this potential sale will not be physically delivered to the Republic of Korea. They will remain in USN custody and reserved as an allocation to the Republic of Korea until they are required at the USN PMRF to support the KDX-III Batch-II AEGIS Class Destroyers' (DDG 995, DDG 996 and DDG 997) CSSQT.
3. The highest level of classification of defense articles, components, and services included in this potential sale is 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 that 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 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.
6. All defense articles and services listed in this transmittal have been authorized for release and export to the Republic of Korea.