

Billing Code



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DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 24-124]

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: Urooj Zahra at (703) 695-6233, urooj.zahra.civ@mail.mil, or dscn.ncr.rsrcmgmt.list.cns-mbx@mail.mil.

SUPPLEMENTARY INFORMATION: This 36(b) 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 24-124, Policy Justification, and Sensitivity of Technology.

Dated: January 13, 2026.

Stephanie J. Bost,

Alternate OSD Federal Register Liaison Officer,

Department of Defense.



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

MAR 20 2025

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. 24-124, concerning the Navy's proposed Letter(s) of Offer and Acceptance to the Kingdom of Saudi Arabia for defense articles and services estimated to cost \$100 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, appearing to read "M.F. Miller", is positioned below the word "Sincerely,".

Michael F. Miller
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology
4. Regional Balance (Classified document provided under separate cover)

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: Kingdom of Saudi Arabia

(ii) Total Estimated Value:

Major Defense Equipment*	\$ 70 million
Other	<u>\$ 30 million</u>
TOTAL	\$100 million

Funding Source: National Funds

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

Major Defense Equipment (MDE):

Two thousand (2,000) Advanced Precision Kill Weapon Systems (APKWS)

Non-Major Defense Equipment:

The following non-MDE items will be included: APKWS spare parts; support equipment; missile software; 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 (SI-P-AAA)

(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 20, 2025**

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

POLICY JUSTIFICATION

Kingdom of Saudi Arabia – Advanced Precision Kill Weapon Systems

The Kingdom of Saudi Arabia has requested to buy two thousand (2,000) Advanced Precision Kill Weapon Systems (APKWS). The following non-MDE items will be included: APKWS spare parts; support equipment; missile software; 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 \$100 million.

This proposed sale will support the foreign policy goals and national security objectives of the United States by improving the security of a partner country that is a force for political stability and economic progress in the Gulf Region.

The proposed sale will improve the Kingdom of Saudi Arabia's capability to meet current and future threats and give it the ability to precisely engage targets with much less risk of collateral damage than other guided missile systems. The Kingdom of Saudi Arabia 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 BAE Systems, Inc., located in Falls Church, VA. At this time, the U.S. Government is not aware of any offset agreement proposed in connection with this potential sale. Any offset agreement will be defined in negotiations between the purchaser and the contractor.

Implementation of this proposed sale will require the assignment of up to two additional U.S. Government and up to two contractor representatives annually to Saudi Arabia for a duration of one week for program technical support and management oversight.

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 WGU-59/B Advanced Precision Kill Weapon System-II (APKWS-II) All-Up-Round (AUR) (Rotary Wing) and WGU-59A/B APKWS-II AUR (Single Variant) are a design conversion of an unguided Hydra 2.75-inch rocket with a laser guidance kit to provide precision capability. As a low-cost weapon, it is intended as an inexpensive means to destroy targets while limiting collateral damage. The APKWS consists of an APKWS-II Guidance Section (GS) (Single Variant Block Upgrade (SVBU)) developed by BAE Systems, Inc., a legacy 2.75-inch MK66 Mod 4 Rocket Motor, and the MK-151 or MK-152 High Explosive Warhead.
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 specific hardware or software elements, the information could be used to develop countermeasures that 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 Kingdom of Saudi Arabia 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 Kingdom of Saudi Arabia.