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Billing Code

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 26-85]

Arms Sales Notification

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

ACTION: Arms sales notice.

SUMMARY: The DoD (referred to herein as "the Department," "Department of War" or "DoW") 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 dsca.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 the attached Transmittal 26-85, Policy Justification, and Sensitivity of Technology.

Dated: August 25, 2026.

Stephanie J. Bost,

Alternate OSD Federal Register Liaison Officer,

Department of Defense.

Transmittal No. 26-85
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*	$1.35 billion
Other	$0.61 billion
TOTAL	$1.96 billion

Funding Source: National Funds

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

Major Defense Equipment (MDE):
Up to Ten thousand (10,000) Advanced Precision Kill Weapon System (APKWS-II) air-to-air guidance sections
Up to Ten thousand (10,000) APKWS-II air-to-ground guidance sections

Non-MDE:
The following non-MDE items will also be included: LAU-131 A/A launchers; Mk-152 high explosive warheads; MK66 rocket motors; proximity fuzes; WTU-1/B practice warheads; inert MK66 rocket motors; test support equipment; launch and employment equipment; spare and repair parts; publications and technical documentation; personnel training, training equipment, and support equipment; other support equipment; transportation; U.S. Government and contractor engineering, technical, and logistics support services; and other related elements of logistics and program support.

(iv) Military Department: Navy (SR-P-ACC; SR-P-ACF), Air Force (SR-D-QEE)

(v) Prior Related Cases, if any: SR-P-ABZ; SI-P-AAA

(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: June 15, 2026

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

POLICY JUSTIFICATION

Kingdom of Saudi Arabia – Advanced Precision Kill Weapon System-II Guidance Sections

The Kingdom of Saudi Arabia has requested to buy up to ten thousand (10,000) Advanced Precision Kill Weapon System (APKWS-II) air-to-air guidance sections; and up to ten thousand

(10,000) APKWS-II air-to-ground guidance sections. The following non-major defense equipment items will also be included: LAU-131 A/A launchers; Mk-152 high explosive warheads; MK66 rocket motors; proximity fuzes; WTU-1/B practice warheads; inert MK66 rocket motors; test support equipment; launch and employment equipment; spare and repair parts; publications and technical documentation; personnel training, training equipment, and support equipment; other support equipment; transportation; 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 up to $1.96 billion.

This proposed sale will support the foreign policy and national security objectives of the United States by improving the security of a Major non-NATO Ally that is a force for political stability and economic progress in the Gulf Region.

The proposed sale will improve Saudi Arabia's capability to deter current and future threats by strengthening its homeland defense, and improving interoperability with U.S. forces, and other regional and NATO forces. The proposed sale will also augment Saudi Arabia's operational aircraft and enhance its air-to-air, and air-to-ground self-defense capability. The Kingdom of Saudi Arabia will have no difficulty absorbing this equipment and services 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, located in Nashua, NH. 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 fifteen (15) additional U.S. Government and fifteen (15) U.S. contractor representatives to Saudi Arabia for an extended period to support program and technical reviews plus training and maintenance support in-country.

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

Transmittal No. 26-85

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 Advanced Precision Kill Weapon System-II (APKWS-II) all-up-round is a low cost air-to-air and air-to-ground system that consists of an APKWS-II guidance section developed by BAE Systems, legacy 2.75-inch MK66 Mod 4 rocket motor, and legacy MK152 and MK435/436-point detonating or M728 proximity fuze. The APKWS is a tactical rocket system that can be launched from several platforms, including rotary wing, fixed wing and ground-based vehicles, offering multi-mission, multi-target capability, and precision-strike lethality. These guided rockets are steered to the target by following reflected laser beam energy directed onto the target either by the launching aircraft, a second aircraft, or ground-based troops operating a laser designator.

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 and 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 Saudi Arabia can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This proposed sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

5. All defense articles, technical data, and services listed in this transmittal have been authorized for release and export to the Kingdom of Saudi Arabia.

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