

Transmittal No. 19-28

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 * ..	\$37 million
Other	\$35 million

TOTAL	\$72 million
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(iii) *Description and Quantity or Quantities of Articles or Services under Consideration for Purchase*:

Major Defense Equipment (MDE): Up to thirty-one (31) MK 54 All Up Round Lightweight Torpedoes

Non-MDE: Also included are torpedo containers, Recoverable Exercise Torpedoes (REXTORP) with containers, Fleet Exercise Section (FES) and fuel tanks, air launch accessories for fixed wing, torpedo spare parts, 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.

(iv) *Military Department*: Navy (KS-P-AMP)

(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 Annex Attached

(viii) *Date Report Delivered to Congress*: August 27, 2019

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

POLICY JUSTIFICATION

Korea—MK 54 Lightweight Torpedoes

The Republic of Korea (ROK) has requested to buy thirty-one (31) MK 54 All Up Round lightweight torpedoes. Also included are torpedo containers, Recoverable Exercise Torpedoes (REXTORP) with containers, Fleet Exercise Section (FES) and fuel tanks, air launch accessories for fixed wing, torpedo spare parts, 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 total estimated program cost is \$72 million.

This proposed sale will support the foreign policy and national security

objectives of the United States by meeting the legitimate security and defense needs of one of the closest allies in the INDOPACOM Theater. The Republic of Korea is one of the major political and economic powers in East Asia and the Western Pacific and a key partner of the United States in ensuring peace and stability in that region. It is vital to U.S. national interests to assist the Republic of Korea in developing and maintaining a strong and ready self-defense capability.

The Republic of Korea Navy intends to utilize MK 54 Lightweight Torpedoes on its P-8A aircraft. The ROK 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 System, Portsmouth, Rhode Island. There are no known offset agreements proposed in connection with this potential sale. Any offset agreement will be defined in negotiations between the Purchaser and the prime contractor.

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

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Annex

Item No. vii

(vii) *Sensitivity of Technology*:

1. The MK 54 Torpedo is a conventional torpedo that can be launched from surface ships and 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 more 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.

The assembled MK 54 torpedo and several of its individual components are classified CONFIDENTIAL. The MK 54 operational software is classified as SECRET. The Republic of Korea has not requested nor will it be provided with the source code for the MK 54 operational software.

2. 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.

3. A determination has been made that the recipient government can provide substantially the same degree of protection for the technology being released as the U.S. Government. This sale supports the U.S. foreign policy and national security objectives as outlined in the Policy Justification.

4. All defense articles and services listed in this transmittal have been authorized for release and export to the Republic of Korea.

[FR Doc. 2019-27623 Filed 12-20-19; 8:45 am]

BILLING CODE 5001-06-P

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 19-25]

Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense.

ACTION: Arms sales notice.

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

FOR FURTHER INFORMATION CONTACT: Karma Job at karma.d.job.civ@mail.mil or (703) 697-8976.

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 19-25 with attached Policy Justification and Sensitivity of Technology.

Dated: December 17, 2019.

Aaron T. Siegel,

Alternate OSD Federal Register Liaison Officer, Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY

201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-5408

AUG 27 2019

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. 19-25, concerning the Air Force's proposed Letter(s) of Offer and Acceptance to the Government of Hungary for defense articles and services estimated to cost \$500 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,

Charles W. Hooper
Lieutenant General, USA
Director

Enclosures:

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

Transmittal No. 19-25

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 Hungary

(ii) *Total Estimated Value:*

Major Defense Equipment* ..	\$320 million
Other	\$180 million

TOTAL \$500 million

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

Major Defense Equipment (MDE):

One hundred eighty (180) AIM-120C-7 Advanced Medium Range Air-to-Air Missiles (AMRAAM)
Four (4) Spare AIM-120C-7 AMRAAM Guidance Sections

Non-MDE: Also included are four (4) spare AIM-120C-7 control sections, six (6) AMRAAM training missiles (CATM-120C), missile containers, classified software (for the AN/MPQ-64F1 Sentinel Radar requested by Hungary through Direct Commercial Sale), spare and repair parts, cryptographic and communication security devices, precision navigation equipment, other software, site surveys, weapons system

equipment and computer software support, publications and technical documentation, common munitions and test equipment, repair and return services and equipment, personnel training and training equipment, integration support and test equipment, and U.S. Government and contractor, engineering, technical and logistics support services, and other related elements of logistical and program support.

(iv) *Military Department*: Air Force (HU-D-YAD); Army (HU-B-UCU)

(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*: August 27, 2019

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

POLICY JUSTIFICATION

Hungary—AIM-120C-7 Advanced Medium-Range Air-to-Air Missiles (AMRAAM)

The Government of Hungary has requested to buy one hundred and eighty (180) AIM-120C-7 Advanced Medium Range Air-to-Air Missiles (AMRAAM), and four (4) spare AIM-120C-7 AMRAAM guidance sections. Also included are four (4) spare AIM-120C-7 control sections, six (6) AMRAAM training missiles (CATM-120C), missile containers, classified software (for the AN/MPQ-64F1 Sentinel Radar requested by Hungary through Direct Commercial Sale), spare and repair parts, cryptographic and communication security devices, precision navigation equipment, other software, site surveys, weapons system equipment and computer software support, publications and technical documentation, common munitions and test equipment, repair and return services and equipment, personnel training and training equipment, integration support and test equipment, and U.S. Government and contractor, engineering, technical and logistics support services, and other related elements of logistical and program support. The total estimated cost is \$500 million.

This proposed sale will support the foreign policy and national security of the United States by improving the security of a NATO ally which is an important force for political stability and economic progress in Europe. This sale is consistent with U.S. initiatives to

provide key allies in the region with modern systems that will enhance interoperability with U.S. forces and increase security.

Hungary intends to use these defense articles and services to modernize its armed forces and expand its capability to deter regional threats and strengthen its homeland defense. This sale will contribute to Hungary's interoperability with the United States and other allies. Hungary should not have any difficulties absorbing this equipment into its armed forces.

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

The prime contractor and integrator will be Raytheon Missile Systems of Tucson, 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 additional U.S. Government and contractor representatives to Hungary.

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

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Annex

Item No. vii

(vii) *Sensitivity of Technology*:

1. AIM-120C Advance Medium Range Air-to-Air Missile (AMRAAM) is a radar guided missile featuring digital technology and micro-miniature solid-state electronics. AMRAAM capabilities include look-down/shoot-down, multiple launches against multiple targets, resistance to electronic counter measures, and interception of high flying and low flying and maneuvering targets. AIM-120 Captive Air Training Missiles are non-functioning, inert missile rounds used for armament load training, and which also simulate the correct weight and balance of live missiles during captive carry on training sorties. Although designed as an air-to-air missile, the AMRAAM can also be employed in a surface-launch mode when integrated on systems such as the National Advanced Surface-to-Air System (NASAMS). The AIM-120C7, as employed on NASAMS, protects national assets from imminent hostile air threats. The AMRAAM All Up Round is classified CONFIDENTIAL, major components and subsystems range from UNCLASSIFIED to CONFIDENTIAL, and technology data and other documentation are classified up to SECRET.

2. The classified radar operational software utilized with the exportable AN/MPQ-4F1 Sentinel Radar contains specific Electronic Counter-Counter Measures (ECCM) capability, but it does not contain Non-Cooperative Target Recognition (NCTR)/classification capabilities. This software will only be released for export in an executable format with no source code. Without source code, the ability of a foreign entity to analyze the operating software, its processes, and its algorithms is slowed. The highest classification of this software 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 or equivalent systems which might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.

4. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the enclosed Policy Justification. A determination has been made that Hungary can provide the same degree of protection for the sensitive technology being released as the U.S. Government.

5. All defense articles and services listed in this transmittal have been authorized for release and export to Hungary.

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BILLING CODE 5001-06-P

DEPARTMENT OF ENERGY

[EERE-2019-BT-PET-0019-0008]

Energy Efficiency Program for Industrial Equipment: Interim Determination Classifying North Carolina Advanced Energy Corporation as a Nationally Recognized Certification Program for Electric Motors and Small Electric Motors

AGENCY: Office of Energy Efficiency and Renewable Energy, Department of Energy.

ACTION: Notice of interim determination and request for public comments.

SUMMARY: This notice announces an interim determination classifying North Carolina Advanced Energy Corporation as a nationally recognized certification program under the Department of Energy's (DOE's) regulations regarding recognition of nationally recognized certification programs and procedures for recognition and withdrawal of