

Defense Security Cooperation Agency NEWS RELEASE

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Spain – SM-1 Block VIB STANDARD Missiles

On 6 September 2005, the Defense Security Cooperation Agency notified Congress of a possible Foreign Military Sale to Spain of 94 SM-1 Block VIB Tactical STANDARD missiles, as well as associated equipment and services. The total value, if all options are exercised, could be as high as \$41 million.

The Government of Spain has requested a possible sale of 94 SM-1 Block VIB Tactical STANDARD missiles, 94 SM-1 MK 56 Dual Thrust Rocket Motors, containers, exercise heads, devices, support and test equipment, spare and repair parts, personnel training and training equipment, publications and technical documentation, engineering and technical assistance, supply support, U.S. Government and contractor technical assistance and other related elements of logistics support. The estimated cost is \$41 million.

Spain is a major political and economic power in southern NATO and the Atlantic and a key democratic partner of the United States in ensuring peace and stability in this region. The U.S. Government contracts maintenance and the use of facilities in Spain. It is vital for the U.S. to assist Spain's development and maintenance of a strong self-defense capability that is consistent with U.S. regional objectives. SM-1 sales promote those objectives and contribute to greater interoperability and cooperation between our navies.

More capable weapons already exist in the region: the U.S. Navy employs the SM-2 Block IIIB from cruisers/destroyers forward deployed in North Atlantic Treaty Organization and Central Command. Canada, Germany, Spain and The Netherlands all employ the SM-2 Block IIIA from their first-tier frigates and destroyers. In addition, other regional Navies use SM-1: Egypt, Turkey, Italy, France, Spain, The Netherlands and Poland. The German and Hellenic Navies, like the U.S. Navy, have divested themselves of the SM-1.

SM-1 and SM-2 missiles are in Spanish frigates and allow Spain to defend critical sea-lines of communication. Spain has six FFG 7-class ships with SM-1 and is building four-to-six new F100-class ships with SM-2. It has already integrated the SM-2 Block IIIA into its F100-class and conducted successful firings from F101 and F102 ships. It is finishing a new Intermediate-Level Maintenance Depot capable of maintaining both the SM-1 and SM-2, and is planning to upgrade this facility to maintain and support the newest Evolved Surface-to-air Missile systems and SM variants. The proposed sale of additional SM-1 Block VI-series missiles and replacement MK 56 rocket motors provides Spain's FFG 7-class improved capability against current anti-ship cruise missile, attack helicopter, and surface ship threats.

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

The principal contractors will be:

Raytheon Company (two locations)

Tucson, Arizona Camden, Arkansas

Aerojet General Corporation Sacramento, California

Offset agreement associated with this proposed sale are expected, but at this time the specific offset agreements are undetermined and will be defined in negotiations between the purchaser and contractors.

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

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

This notice of a potential sale is required by law; it does not mean that the sale has been concluded.