

Defense Security Cooperation Agency NEWS RELEASE

On the web: <u>http://www.dsca.mil</u>

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Australia – Standoff Land Attack Missile-Expanded Response Missile Systems

On 14 April 2005, the Defense Security Cooperation Agency notified Congress of a possible Foreign Military Sale to Australia of Standoff Land Attack Missile-Expanded Response (SLAM-ER) missile systems as well as associated equipment and services. The total value, if all options are exercised, could be as high as \$430 million.

The Government of Australia has requested a possible sale of SLAM-ER missile systems which includes up to 260 Operation, Telemetry, and Captive Air Training Missiles with containers; support equipment, integration and certification support, training missiles, containers, spares and repair parts, missile support and test equipment, provisioning, program management, publications and technical documentation, personnel training and training equipment, U.S. Government and contractor technical and logistics personnel services, and other related elements of program support. The estimated cost is \$430 million.

Australia is an important ally in the Western Pacific. The strategic location of this political and economic power significantly contributes to ensuring peace and economic stability in the region. It is vital to the U.S. national interest to assist the Royal Australian Air Force (RAAF) to maintain a strong and ready self-defense capability and contribute to an acceptable military balance in the area. This proposed sale will improve interoperability between RAAF and U.S. Navy (USN) forces. This proposed sale is consistent with those objectives and facilitates burden sharing with our allies.

Australia intends to use the SLAM-ER missile on its F/A-18 and AP-3C aircraft. The RAAF can easily integrate SLAM-ER into its concept of operations. The proposed sale of SLAM-ER to Australia will contribute to U.S. security objectives by providing a coalition partner with enhanced strike capability for its tactical fighter or maritime patrol fleets. This will improve the RAAF ability to participate in coalition operations, provide common logistical support with the USN, and enhance the lethality of its forces. Australia will have no difficulty absorbing these weapons into its armed forces.

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

The prime contractor will be the Boeing Company of St. Louis, Missouri. Although generally the purchaser requires offsets, at this time, there are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale may require the assignment of U.S. Government and contractor representatives to Australia to support the integration of the selected weapon into the Australian fleet, but the estimated number of representatives has not been determined at this time.

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

Australia is also considering a competing bid for Joint Air-to-Surface Stand Off Munition (JASSM).

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