

Defense Security Cooperation Agency NEWS RELEASE

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Chile - HARPOON Block II Missiles

On 28 September 2005, the Defense Security Cooperation Agency notified Congress of a possible Foreign Military Sale to Chile of 20 RGM-84L HARPOON Block II missiles as well as associated equipment and services. The total value, if all options are exercised, could be as high as \$50 million.

The Government of Chile has requested a possible sale of 20 RGM-84L HARPOON Block II missiles; containers; training devices; spare and repair parts; supply/technical support; support equipment; personnel training and training equipment; technical data and publications; U.S. Government and contractor engineering and logistics support services; and other related elements of logistics support. The estimated cost is \$50 million.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a friendly country that has been and continues to be an important force for political stability and economic progress in South America.

Chile intends to use the HARPOON missiles to maintain the Anti-Ship Warfare capability of its frigates purchased from the Royal Netherlands Navy. The RGM-84 HARPOON Block II upgraded targeting capability significantly reduces the risk of hitting non-combatant targets thus improving Chile's naval operational flexibility. The missiles will assist the Chilean Navy to develop and enhance standardization and operational ability with the United States. Chile will have no difficulty absorbing these additional missiles 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. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government or contractor representatives to Chile permanently. There may be U.S. Government or contractor personnel in-country on a temporary basis in conjunction with program technical and management oversight and support requirements.

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.