



Defense Security Cooperation Agency
NEWS RELEASE

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Taipei Economic and Cultural Representative Office in the United States – SM-2 Block IIIA STANDARD Missiles

WASHINGTON, September 12, 2007 - The Defense Security Cooperation Agency notified Congress of a possible Foreign Military Sale to the Taipei Economic and Cultural Representative Office in the United States of SM-2 Block IIIA STANDARD missiles as well as associated equipment and services. The total value, if all options are exercised, could be as high as \$272 million.

The Taipei Economic and Cultural Representative Office in the United States has requested a possible sale of 144 SM-2 Block IIIA STANDARD missiles, 16 Telemetry missiles, canisters, containers, spare and repair parts, supply support, personnel training and training equipment, publications and technical data, U.S. Government and contractor technical assistance and other related elements of logistics support.

This proposed sale serves our national economic and security interests by supporting the recipient's continuing efforts to modernize its armed forces and enhance its defensive ability to counter air threats. The proposed sale will help improve the security of the recipient and assist in maintaining political stability, military balance, and economic progress in the region. The U.S. is committed to providing military assistance under the terms of the Taiwan Relations Act.

This sale is consistent with United States law and policy as expressed in Public Law 96-8.

The proposed sale will provide the recipient continued anti-aircraft defense capabilities for its Navy. The recipient intends to use the SM-2 missiles on its destroyer class surface ships for self-defense against air and cruise missile threats. Recipient, which already has SM-2 STANDARD missiles in its inventory, will have no difficulty absorbing these additional SM-2 STANDARD missiles.

Implementation of this sale will not require the assignment of any U.S. Government representatives; however, it is estimated that approximately six months of contractor technical support and training will be required on the island following delivery of the missiles.

The prime contractor will be Raytheon Missile Systems Corporation, Tucson, Arizona. Although the purchaser generally requires offsets, at this time, there are no known offset agreements proposed in connection with this potential sale.

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.