COUNTRY: (U) CHINA (CH); IRAN (IR); UNITED KINGDOM (UK).
SUBJECT: (U) CHINESE ATTEMPT TO SELL PATROL BOATS TO IRAN (U).
WARNING: (U) THIS IS AN INFORMATION REPORT, NOT FINALLY EVALUATED INTELLIGENCE. REPORT CANNOT BE RELEASABLE.

SUMMARY: (U) A CHINESE TRADING FIRM IS PROBABLY ATTEMPTING TO SELL PATROL BOATS TO THE IRANIAN NAVY. IN EARLY 1988, AN ESTABLISHED BRITISH CORPORATION WAS 880392337
MSG: 4 (MiIR) RSB 07/04/88 04:35

APPROACHED BY THE CHINESE TO ACT AS MIDDLEMAN IN THE DEAL, BUT THE BRITISH FIRM REJECTED THE CHINESE APPROACH ON THE SPOT.

TEXT: 1. (CONF/PROP) (b)(1)(A)(c)

That in early 1988, a Chinese overseas trading corporation approached RACAL Marine Systems Ltd. in Hong Kong seeking the UK firm's assistance in selling fast patrol boats to Iran. Did not disclose the name of the Chinese trading company, but when questioned, indicated that it was not PolYTECHNOLOGIES who made the request. The type of fast patrol boat being offered for export was not disclosed.

2. (CONF/PROP) (b)(1)(A)(c)

View is that the Chinese offer was rejected out of hand by RACAL. The corporation declared that it would not go along with the continuing arms trade between China and Iran.

COMMENTS: (CONF/PROP)

//IPSP: (b)(3)(10 USC 424)

//COMOBJ

PROJ: (U)

COLL: (U)

INSTR: (U)

PREP: (U)

ACQ: (U)

DISSEM: (U)

WARNING: REPORT CLASSIFIED (S-N-F) 1-3-5-3-5-7

NOT RELEASEABLE TO FOREIGN NATIONALS

CAUTION PROPRIETARY INFORMATION INVOLVED.

DECL: GADM

END OF MESSAGE

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