

MSGNO 7 (MIIR) ALL \*20/02/90\* \*22:07\*  
ZCZC 03:06:28Z (MI)

~~SECRET~~



90 5743606

MSR

TOR: 210245Z FEB 90

NC 5743606  
RUEKJCS 2697

RR RUEAIIA  
DE RUEKJCS #2697 0520243  
ZNY ~~SSSS~~  
RUHGOAA I (b)(3):50 USC 403-1(i)  
R 210243Z FEB 90  
FM JOINT STAFF WASHINGTON DC  
TO (b)(3):50 USC 403-1(i)

(b)(3):50 USC 403-1  
(i)

INFO RUEADWD/OCSA WASHINGTON DC  
RUENAAA/CNO WASHINGTON DC  
RUEAHQA/CSAF WASHINGTON DC  
RUIFACMC/CMC WASHINGTON DC

(b)(3):50 USC 403-1(i)

RUEGAD/USEUCOM VAIHINGEN GE

(b)(3):50 USC 403-1(i)

RUEAIIA/CIA WASHINGTON DC  
RUEHC /SECSTATE WASHINGTON DC  
RUIFAMCC/CMC CC WASHINGTON DC

(b)(3):50 USC 403-1(i)

RUCQVAB/USCINCSOC MACDILL AFB FL  
RUICJACC/USCINCCENT MACDILL AFB FL

(b)(3):50 USC 403-1(i)

RUISNNOA/USCINCEUR VAIHINGEN GE/ (b)(3):50 USC 403-1(i)

(b)(3):50 USC 403-1(i)

RUEALGX/SAFE  
R 210237Z FEB 90  
FM (b)(3):10 USC 424

TO RUEKJCS/DIA WASHDC  
INFO RUHQHQA/USCINCPAC HONOLULU HI/ (b)(3):50 USC 403-1(i)

(b)(3):10 USC 424

BT

EZ1:

~~SECRET~~ COMPLET 01 OF 02 (b)(3):10 USC 424

~~SECRET / NOFORN / NO CONTRACT~~

EZ2:

SERIAL: (U) IIR (b)(3):10 USC 424

PASS: (U) (b)(3):10 USC 424,(b)(3):50 USC 403-1(i)

COUNTRY: (U) CHINA (CH); IRAN (IR).

SUBJECT: IIR (b)(3):10 USC 424 IRAN SALES/COUNTER  
TRADE (U)

0000270427

(169)

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WARNING: (U) THIS IS AN INFORMATION REPORT, NOT FINALLY  
EVALUATED INTELLIGENCE. REPORT  
CLASSIFIED ~~SECRET~~ -- NOFORN --  
~~NO CONTRACT.~~

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DEPARTMENT OF DEFENSE  
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DOI: (U) 900218.

REQS: (U) (b)(3):10 USC 424,(b)  
(3):50 USC 403-1(i)

SOURCE: (U)

SUMMARY: ~~(S/NF/NC)~~ NORINCO NEGOTIATING STORM MBT  
PRODUCTION FACILITY IN TEHERAN. (b)(1),1.4 (c)  
NORINCO RECEIVED ONE MILLION TONS OF CRUDE OIL FROM  
IRAN IN 1989. SON OF ZOU JIAHUA WORKING WITH HONG KONG  
ARMS SALES COMPANY.

TEXT: 1. ~~(S/NF/NC)~~ (b)(1),1.4 (c) THAT NORINCO WAS  
NEGOTIATING A MAJOR CONTRACT WORTH OVER USD 600 MILLION  
FOR THE SALE OF A PRODUCTION FACILITY FOR THE CHINESE  
STORM MAIN BATTLE TANK IN IRAN. (b)(1),1.4 (c) THAT THERE  
ARE PRESENTLY TWO STORM MBT'S IN TEHERAN ALONG WITH A  
LARGE NORINCO NEGOTIATING TEAM. (b)(1),1.4 (c) WAS OPTIMISTIC  
THAT THE DEAL WOULD BE SUCCESSFULLY CONCLUDED.

2. ~~(S/NF/NC)~~ NORINCO RECEIVED ONE MILLION TONS OF  
CRUDE OIL FROM IRAN IN 1989 IN PAYMENT FOR ARMS  
PURCHASES. (b)(1),1.4 (c) THAT NORINCO WAS ABLE TO  
SELL THE CRUDE OIL TO CHINESE REFINERIES AT PRICES  
HIGHER THAN NORINCO COULD EXPECT TO RECEIVE SHOULD  
NORINCO SELL THE OIL ON THE WORLD MARKET. NORINCO DID  
NOT NEED THE FOREIGN EXCHANGE FROM THE SALE OF THE  
CRUDE AND PREFERRED TO RECEIVE RENMINBI FOR ITS USE IN  
ITS OPERATIONS IN CHINA.

3. ~~(S/NF/NC)~~ (b)(1),1.4 (c) THAT THE SON OF VICE  
PREMIER ((ZOU)) JIAHUA, ((ZOU)) XIAOKANG WAS LIVING IN  
HONG KONG AND WORKING QUOTE BEHIND THE SCENES END QUOTE  
TO ASSIST A HONG KONG BASED ARMS DEALER, JENNEL  
((WANG)). (b)(1),1.4 (c) THAT THE YOUNGER ZOU WAS ABLE TO  
TRAVEL AS HE WISHED AND USED HIS CONNECTIONS IN CHINA  
TO ASSIST JENNEL IN CONCLUDING ARMS CONTRACTS BETWEEN  
CHINA AND OTHER COUNTRIES.

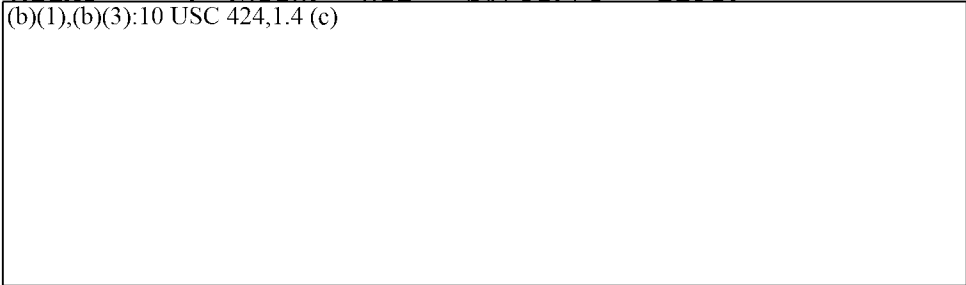
4. ~~(S/NF/NC)~~ WHEN (b)(3):10 USC 424 (b)(1),1.4 (c) TO NAME THE MAJOR  
HONG KONG SHIPPING AGENT ASSOCIATED WITH CHINA-IRAN  
ARMS TRADE, (b)(1),1.4 (c) THAT THE SHIPPER WAS SUN UNION.

COMMENTS: 1. ~~(S/NF/NC)~~ (b)(1),(b)(3):10 USC 424,1.4 (c)

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(b)(1),(b)(3):10 USC 424,1.4 (c)



//IPSP: (U) (b)(3):10 USC 424  
//COMSOBJ: (U) 424  
PROJ: (U)  
END OF MESSAGE

~~SECRET~~

\*\*\*<<<< SECTION 2 >>>>\*\*\*

SERIAL: (U) IIR (b)(3):10 USC 424

PASS: (U) (b)(3):10 USC 424,(b)(3):50 USC 403-1(i)

COUNTRY: (U) CHINA (CH); IRAN (IR).

SUBJECT: IIR (b)(3):10 USC 424 VIRAN SALES/COUNTER

COLL: (U) (b)(3):10 USC 424,(b)(3):50 USC 403-1(i)  
INSTR: (U)  
PREP: (U)  
ACQ: (U)  
DISSEM: (U)

WARNING: (U) ~~REPORT CLASSIFIED SECRET~~  
~~NOT RELEASABLE TO FOREIGN NATIONALS~~  
~~NOT RELEASABLE TO CONTRACTORS/CONSULTANTS.~~

~~DECL:OADR~~  
END OF MESSAGE  
NNNN  
NNDD

~~SECRET~~