

MSGNO 37 (MIIR) ALL *01/06/90* *00:16*
ZCZC 05:15:14Z (MI)

~~SECRET~~

90 6840768 MSR

TOR: 010228Z JUN 90

NC 6840768
RUEKJCS 8169

RR RUEAIIA
DE RUEKJCS #8169 152022Z
ZNY 88888
R 010227Z JUN 90
FM JOINT STAFF WASHINGTON DC
TO (b)(3):50 USC 403-1

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

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

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

RUEGATD/USEUCOM (b)(3):50 U VAIHINGEN GE

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

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

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

RUCQVAB/USCINCSOC (b)(3):50 USC 403-1(i) // MACDILL AFB FL

RUCJACC/USCINCCENT MACDILL AFB FL // (b)(3):50 USC 403-1(i)

(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 010217Z JUN 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); THAILAND (TH);
PAKISTAN (PK).

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MSGNO 37 (MIIR) ALL *01/06/90* *00:16*
SUBJECT: IIR (b)(3):10 USC 424 NORINCO SALES (U)

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

DEPARTMENT OF DEFENSE

DOI: (U) 900525.

REQS: (U) (b)(3):10 USC 424,(b)

SOURCE: (U) (3):50 USC 403-1(i)

SUMMARY: (S/NF/NC) THIS IIR PROVIDES INFORMATION ON
NORINCO ACTIVITIES IN PAKISTAN, THAILAND AND IRAN. 37MM
AAA SOLD TO THAILAND. TYPE 69II TANK DEAL ALMOST
COMPLETE WITH PAKISTAN. STORM TANK TESTING BEGINS IN
IRAN.

1. (S/NF/NC) (b)(1),1.4 (c) IN NEGOTIATIONS
DURING THE FIRST TWO WEEKS OF MAY WHICH INVOLVED TRAVEL
TO PAKISTAN AND THAILAND. IN THAILAND (b)(1),1.4 (c) CONCLUDED
A DEAL FOR THE SALE OF 36 SETS OF 37MM ANTI-AIRCRAFT GUNS
(6 GUNS WITH TYPE 702 FIRE CONTROL RADAR PER SET). THE
TOTAL VALUE OF THE DEAL IS USD \$100 MILLION. (b)(1),1.4 (c)
ALSO ATTEMPTED TO SELL THE TYPE 69II TANK WHICH (b)(1),1.4 (c)
NOTED WAS IN COMPETITION WITH THE U.S. M60 TANK
WAS OPTIMISTIC THAT THE THAI MILITARY WOULD ULTIMATELY
CHOOSE THE TYPE 69II.

2. (S/NF/NC) WHILE IN PAKISTAN (b)(1),1.4 (c) THE
SALE OF THE TYPE 69II TANK (b)(1),1.4 (c) THAT THE DEAL
TO SELL 250 TYPE 69II TANKS WAS QUOTE ABOUT 90% CERTAIN
END QUOTE. (b)(1),1.4 (c) NOTED THAT THE DEAL WAS WORTH
APPROXIMATELY USD 300 MILLION. WHEN ASKED (b)(1),1.4 (c) WHEN
AND WHERE THE TYPE 69II TANKS WOULD BE PRODUCED (b)(1),1.4 (c)
SAID THAT PRODUCTION COULD BEGIN AS SOON AS PAKISTAN
MADE A DOWN PAYMENT AND THE TANKS WOULD BE MADE IN
BAOTOU.

(b)(3):10
USC 424

3. (S/NF/NC) (b)(1),1.4 (c) TO DISCUSS STATUS OF
STORM TANK DEMONSTRATION FOR IRAN (b)(3):10 USC 424
(b)(3):10 USC 424 (b)(1),1.4 (c) THAT THERE
WERE PROBLEMS WITH THE DEMONSTRATIONS BECAUSE IRAN HAD
DECIDED TO HOLD THE TESTS IN MAY RATHER THAN EARLIER IN
THE YEAR AS EXPECTED. NORINCO HAD HURRIED TO PREPARE
THE TANKS FOR THE TESTS AND HAD NOT COMPLETED ALL OF THE
SYSTEM INTEGRATION TO ITS SATISFACTION. NORINCO
EQUIPPED THE TWO TANKS WITH AN EXTENDED L7 105MM GUN
WHICH (b)(1),1.4 (c) WOULD NOT BE AS ACCURATE BECAUSE IT
WAS NOT PERFECTLY INTEGRATED. UPON ARRIVAL, IRAN HAD
STORED THE TANKS AND WOULD NOT GIVE CHINESE ENGINEERS
ACCESS TO THE TANKS. (b)(1),1.4 (c) THAT THERE
WERE OVER ONE HUNDRED NORINCO REPRESENTATIVES IN IRAN TO
PROMOTE THE STORM TANK DEAL. THE NORINCO
REPRESENTATIVES WERE WORKING WITH THEIR COUNTERPARTS IN
THE MINISTRY OF DEFENSE AND WITH THEIR COUNTERPARTS IN
THE IRANIAN EQUIVALENT TO NORINCO. (b)(1),1.4 (c) SAID THAT
NORINCO HAS DEVOTED A GREAT EFFORT TO THE IRAN DEAL AND

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IS OPTIMISTIC THAT IRAN WILL PURCHASE PRODUCTION
FACILITIES FOR THE STORM TANK.

4. (S/NF/NC) IN AN ASIDE, (b)(1),1.4 (c) THAT IRAN
WAS BUYING CHEMICALS FROM CHINA WHICH (b)(1),1.4 (c)
COULD BE USED IN MISSILE FUEL PRODUCTION.

COMMENTS: (S/NF/NC) (b)(3):10 USC 424,1.4 (c)
(b)(1),1.4 (c) PAKISTAN WOULD BUY TYPE 69II TANKS WHEN IT
MIGHT BE ABLE TO MORE ECONOMICALLY REFIT ITS PRESENT
FLEET OF TYPE 59 TANKS AND HAVE A POTENTIALLY BETTER
MBT. (b)(1),1.4 (c)

END OF MESSAGE

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<<<< 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); THAILAND (TH);
PAKISTAN (PK).

SUBJECT: IIR (b)(3):10 USC 424 /NORINCO SALES (U)
(b)(1),(b)(3):10 USC 424,1.4 (c)

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

//COMSOBJ: (U)

PROJ: (U)

COLL: (U)

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

~~SECRET~~

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