GPS 481 CONFIDENTIAL

CONFIDENTIAL

FM RIYAHD 042000Z NOV 81
TO PRIORITY FCO
TELEGRAM NUMBER 10 OF 4 NOVEMBER
AND TO MODUK (SALES), DS11, DS8
INFO WASHINGTON, JEDDA.



## AWACS/NIMROD

- 1. THE SECRETARY OF STATE EXPLAINED TO KING KHALED OUR POSITION ON NIMROD: WE HAD BEEN READY TO SUPPLY NIMROD BUT HAD THOUGHT IT BETTER, FOR POLITICAL REASONS, THAT THE U S SHOULD BE FORCED TO FACE UP TO SELLING AWACS TO SAUDI ARABIA. NEVERTHELESS THE SAUDIS WOULD BE GETTING A WORSE AIRCRAFT. IF THEY WANTED TO FILL THE GAPS THAT AWACS COULD NOT COVER THEY SHOULD BUY NIMROD. THE KING SAID THAT THE SAUDIS HAD INSISTED ON MODIFICATIONS TO SUIT THEIR NEEDS, AS WITH THE F15S. ISRAEL, IRAN AND LIBYA WOULD NOT BE CONTENT BUT MUST BE DISREGARDED. PERHAPS THE SAUDIS WOULD BUY NIMRODS WHEN THE AWACS WERE WORN OUT. FOLLOWING THE U S DECISION THEY DID NOT MEED NIMRODS NOW: BUT THEY DID NEED POLITICAL SUPPORT FROM BRITAIN.
- 2. LATER, PRINCE SULTAN TOLD THE SECRETARY OF STATE (BANDAR WAS ALSO PRESENT) THAT NIMRODS WERE NOT RULED OUT. SABRI HAD BEEN INSTRUCTED DURING HIS VISIT TO STUDY THE MOST ADVANCED FORM OF NIMROD. FIVE AWACS MIGHT NOT BE ENOUGH. THE SAUDIS WERE LOOKING AT ALTERNATIVES. THE NIMROD HAD EQUIPMENT WHICH COULD BE USEFUL FOR SAUDI NEEDS. THE SAUDIS' STUDY OF THEIR REQUIREMENTS WAS BASED ON THEIR NEEDS, NOT ON SHOW.
- 3. I RAISED THE FH 70 WITH SULTAN AND THE NEED FOR THE RENEWAL OF THE SADAP AGREEMENT TO BE SIGNED SOON. (SULTAN SAID THIS WAS QUOTE BEING PURSUED UNQUOTE). I ALSO SAID THAT A REVISED AMG OFFER FOR THE HOSPITAL CONTRACT WAS ON ITS WAY AND THAT DR VAUGHAN WOULD BE SENDING A MESSAGE SOON.
- 4 SULTAN SAID THAT THE GULF COOPERATION COUNCIL SUMMIT ON 10 NOVEMBER WOULD CONSIDER THE RECOMMENDATIONS OF THE GULF CHIEFS OF STAFF. IF THERE WAS ANY WAY IN WHICH BRITAIN COULD HELP OVER THESE, HE WOULD CONTACT US.
- 5. FINALLY SULTAN SAID HE MIGHT VISIT BRITAIN IN MAY OR JUNE IN THE COURSE OF VISITS TO EUROPE AND AFRICA.

  FLO PASSALL [PASSED AS REQUESTED]

STANDARD

ADDITIONAL DISTRIBUTION ARAB/ISRAEL DISPUTE

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THIS TELEGRAM WAS NOT ADVANCED