



MINISTRY OF DEFENCE
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MO 26/9/4

11th June 1981

John Michael,

[Handwritten initials]

Prime Minister

(4)

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UAE - WARSHIP EXPORTS

You asked for background on the assertion made by Dr Al Otaiba, the Emirates Minister of Petroleum, to the Prime Minister in Abu Dhabi that "he was surprised HMG had not made more effort to sell warships to the Emirates". You will recall that David Omand here corresponded with Clive Whitmore about this and other UAE Defence Sales points last year (his letter of 10 December 1980 refers).

please see Pt 1

By way of explanation, I should first say that the UAE has a very small navy consisting of fast patrol vessels and other small craft. Our Defence Sales staff are not aware of any requirements for larger ships. Moreover, the UAE have a severe indigenous manpower problem and most vessels have to be manned by expatriate personnel on contract. This limits effectively both the size of the navy and of individual units. There are, therefore, only comparatively limited opportunities for business.

In recent years the UK has successfully sold Vosper Thornycroft 110 foot patrol craft and other, smaller vessels. We have, however, lost a more recent competition for 45 metre patrol craft to West Germany for reasons of price and delivery. (Background on this is contained, again, in David Omand's letter of 10th December). We have also been trying to interest the UAE in hovercraft but we understand that their plans have been shelved for the time being. The

M O'D B Alexander Esq



Commander of the UAE Navy has shown particular interest in RN training arrangements, and British firms are currently ~~tendering~~ for the design of programmes for a proposed Naval Training Centre to be completed in 1982.

I will keep you informed of developments.

I am copying this letter to Francis Richards (FCO).

Yours sincerely

Jonathan Dawson

(J D S DAWSON)



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