



MINISTRY OF DEFENCE
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Original : Defence, May 79,
Sale of Shir
Tanks to Jordan

MO 26/4/2/1

14th July 1980

*B/C copy
in [unclear]*

seen + approved

by PM

MS

W/7

Dear Nick,

TANK PROCUREMENT POLICY

We spoke about the Parliamentary announcement which my Secretary of State is making this afternoon concerning changes in the Army's tank procurement policy, and about a replacement Armoured Personnel Carrier. It was originally envisaged (in Sir Robert Armstrong's minute of 7th July to Mr Whitmore) that these announcements would be made tomorrow, Tuesday, but since that is a day on which we are top for Questions Mr Pym felt it would be only courteous to the House to make the announcement before then. Although there are no direct links with the questions put down for Oral answer tomorrow it is possible that the Newcastle MPs may wish to press my Secretary of State tomorrow about the position of Vickers as a tank producer.

I attach a copy of the text of two Written Answers which Mr Pym has approved. These have been telegraphed to posts in Washington, Bonn and Paris and to UK Delegation NATO, Brussels. Mr Pym will also be writing to Sir Peter Matthews, Chairman of Vickers and to the Newcastle MPs.

I am sorry that you did not have earlier notice of these texts.

John [unclear]
(D B OMAND)

*See
Defence
Oct 79*

MONDAY 14th JULY 1980

QUESTIONS

A. MR CRANLEY ONSLOW (CONSERVATIVE) (WOKING)

Mr Onslow - To ask the Secretary of State for Defence, if he will make a statement on tank procurement and deployment policy for the Army.

B. MR WARREN HAWKSLEY (CONSERVATIVE) (THE WREKIN)

Mr Hawksley - To ask the Secretary of State for Defence, what plans he has to meet the Army's requirement for a replacement armoured personnel carrier.

A N S W E R

(Mr Francis Pym)

ALFA. TANKS.

THE ARMY'S FUTURE MAIN BATTLE TANK REQUIREMENTS HAVE BEEN REVIEWED AGAINST THE LATEST ASSESSMENT OF THE WARSAW PACT THREAT AND THE PROGRESS OF PROJECT DEFINITION OF MBT-80. THE WARSAW PACT HAVE FOR MANY YEARS BEEN ABLE TO DEPLOY MORE TANKS IN WAR THAN NATO; THIS ADVANTAGE NOW STANDS AT SOME

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3 TO 1. IN ADDITION THE SOVIET TANKS THAT HAVE ENTERED SERVICE IN RECENT YEARS ARE TECHNICALLY ADVANCED AND HIGHLY EFFECTIVE. THERE IS EVERY INDICATION THAT NEW TANKS, INCORPORATING FURTHER IMPROVEMENTS, WILL COME INTO SERVICE IN THE 1980S.

BAOR'S PRESENT MAIN BATTLE TANK, CHIEFTAIN, HAS BEEN IN SERVICE SINCE THE 1960S. ALTHOUGH IT IS THE MOST EFFECTIVE NATO TANK OF ITS GENERATION AND CONTINUES TO BE IMPROVED, ITS PERFORMANCE WILL NOT BE FULLY ADEQUATE AGAINST THE INCREASING THREAT. UNDER EXISTING PLANS IT WOULD BE REPLACED BY MBT-80. BUT IT IS NOW CLEAR THAT MBT-80 CANNOT BE AVAILABLE UNTIL THE EARLY 1990S AND IN ORDER TO MEET THE THREAT A MUCH EARLIER ENHANCEMENT OF BAOR'S ARMoured CAPABILITY IS REQUIRED.

I HAVE THEREFORE DECIDED TO BRING INTO SERVICE BY THE MID-1980S A MODIFIED VERSION OF THE SHIR II TANK KNOWN AS CHALLENGER. CHALLENGER INCORPORATES A NUMBER OF TECHNOLOGICAL ADVANCES INCLUDING CHOBHAM ARMOUR AND A 1200 HORSE-POWER DIESEL ENGINE. ITS FIREPOWER WILL BE SIMILAR TO THE IMPROVED CHIEFTAIN'S BUT ITS LEVEL OF PROTECTION AND MOBILITY WILL BE MARKEDLY BETTER. AN IMMEDIATE ORDER IS TO BE PLACED WITH ROF LEADS FOR ENOUGH CHALLENGERS TO EQUIP ONE OF BAOR'S FOUR ARMoured DIVISIONS. THE ESTIMATED COST IS SOME £300M. THE FINAL NUMBER OF CHALLENGERS TO BE BOUGHT WILL BE THE SUBJECT OF FURTHER STUDY BUT THE PRESENT ASSUMPTION IS THAT THEY WILL REPLACE UP TO HALF THE EXISTING CHIEFTAINS IN BAOR.

THE MBT-80 PROGRAMME WILL BE DISCONTINUED BUT A PROGRAMME OF TANK DEVELOPMENT BUILDING ON WORK ALREADY DONE FOR MBT-80, WILL CONTINUE. THE LONGER TERM REQUIREMENT INCLUDING THE REPLACEMENT OF THE REMAINING CHIEFTAINS WILL BE THE SUBJECT OF FURTHER STUDY, WHICH WILL ENCOMPASS THE POSSIBILITY OF SOME FORM

(D B OMAND)

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OF COLLABORATIVE PROJECT WITHIN NATO AS WELL AS THE OPTION OF AN IMPROVED CHALLENGER.

THE PURCHASE OF CHALLENGER WILL LEAD TO A SIGNIFICANT QUALITATIVE IMPROVEMENT IN BAOR'S ARMoured CAPABILITY FROM THE MID-1980S AND, BY THE RETENTION IN SERVICE OF REPLACED CHIEFTAINS, WILL MAKE IT POSSIBLE TO DEPLOY MORE TANKS IN WAR. IN ORDER TO EFFECT AN IMMEDIATE ENHANCEMENT OF OUR ARMoured CAPABILITY I HAVE ALSO DECIDED THAT A NINTH ARMoured REGIMENT SHOULD BE FORMED IN BAOR THIS NOVEMBER BY REROLING AN ARMoured RECONNAISSANCE REGIMENT. IT WILL BE EQUIPPED WITH CHIEFTAINS CURRENTLY HELD IN RESERVE FOR WAR. THESE MEASURES ARE CONSISTENT WITH THE OBJECTIVES OF THE NATO LONG TERM DEFENCE PROGRAMME AND WILL, I AM SURE, BE WARMLY WELCOMED WITHIN THE ALLIANCE.

BRAVO. APCS.

THE ARMY'S PRESENT ARMoured PERSONNEL CARRIER, THE FV432 SERIES OF VEHICLES, HAS BEEN IN SERVICE SINCE THE 1960S AND WILL NEED TO BE REPLACED FROM THE MID-1980S. TWO VEHICLES HAVE BEEN CONSIDERED FOR THIS REQUIREMENT, THE MECHANISED COMBAT VEHICLE (MCV-80), DESIGNED BY THE BRITISH FIRM GKN-SANKEY, AND THE AMERICAN INFANTRY FIGHTING VEHICLE, WHICH WOULD BE MANUFACTURED UNDER LICENCE IN THIS COUNTRY.

AFTER A CAREFUL ASSESSMENT OF THE RELEVANT OPERATIONAL, FINANCIAL AND INDUSTRIAL FACTORS I HAVE DECIDED TO SELECT MCV-80 TO MEET THIS REQUIREMENT. THE TOTAL ESTIMATED COST OF THE REPLACEMENT PROGRAMME IS ABOUT £1000M AND FULL DEVELOPMENT WILL BE LAUNCHED SHORTLY.

(D B OMAND *[Signature]*)