



MINISTRY OF DEFENCE
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MO 11/10/4

7th August 1984

Dear Charles

Prime Minister

King Hussein may visit Moscow in the Autumn, and Mr Heseltine wants to put together an attractive UK package before then.

DEFENCE SALES TO JORDAN

Nick Evans here wrote to John Coles on 16th May, prior to the Prime Minister's meeting with King Hussein. His letter recorded the Defence Secretary's concern about the extent to which Jordan might look to the Russians for supplies of defence equipment, given her general disenchantment with the USA in the wake of the refusal to supply Stinger. The Prime Minister may now wish to be aware of some recent developments.

Early in July International Military Services Ltd were asked by the Commander-in-Chief of the Jordanian Armed Forces (JAF) to provide a proposal for financing a large part of Jordan's purported medium term defence requirements. An outline list of equipment requirements was then jointly compiled by IMS and the JAF Procurement staff, and a copy is attached. The estimated value of this list is in the order of £750M - well beyond the Defence Sales Organisation's assessment of Jordanian medium term purchasing ability.

James Blyth, our Head of Defence Sales, visited Amman on 24th-25th July to discuss the matter further and in his meeting with the Commander-in-Chief confirmed that the Jordanians do indeed want the UK to propose a Government-to-Government credit package. A similar request was made of the French during President Mitterand's visit to Jordan (9th-11th July) but without so detailed a list.

The Jordanians have been told by the Americans of a private conversation which Mr Weinberger had with Mr Heseltine in the margins of a NATO meeting in May in which he asked that we should help Jordan, given the inability of the US Administration to do so. Although there was at that time no question of any shopping list, the Americans may have encouraged them to believe that British help will be forthcoming on favourable terms. James Blyth emphasised to the Commander-in-Chief that we will look at their requests on their merits in the context of Anglo-Jordanian relations, rather than because of American influence.

C Powell Esq



The Russians, meanwhile, have already proposed a large equipment package on very soft terms (believed to be of the order of 17 years at 2%). Furthermore, having earlier postponed his visit, the Commander-in-Chief is in Moscow this week, and King Hussein proposes making a similar visit in the Autumn. There seems little doubt that King Hussein and the Commander-in-Chief are trying to obtain a major long-term credit package from the UK (and France) in order to counter those within Jordan who would now turn to Russia, as a reaction to the deterioration in Jordanian/American relationships.

Mr Heseltine is currently planning to visit Amman towards the end of October, and we have undertaken to provide the Jordanians with a credit proposal based on their equipment requirements by then. A team will visit Jordan within the next week to seek further details of these requirements, to establish priority ratings and hence in-service dates and cash-flow data. We will then approach ECGD in the usual way, in the hope that HMG could be as generous as possible, given the wider political considerations.

I am copying this letter to Colin Budd (FCO) and Andrew Lansley (DTI).

Yours ever

Simon Lowe

(S H LOWE)

OUTLINE EQUIPMENT REQUIREMENTS : JORDANIAN ARMED FORCES

- Armour - Khalid Main Battle Tank: 120mm Ammunition and Spares
- Armoured Reconnaissance Vehicles
- 105mm Tank Ammunition
- Artillery - Multi-Launch Rocket System
(Launchers and Support Vehicles)
- Low Level and Medium Level Air Defence Systems
(Missiles and Guns)
Including Javelin
- Training Simulators
- Engineer - Mine Clearing Equipment/Vehicles
- Mobile Bridging Vehicles and Combat Bridging
- Armoured Engineer Equipment (including Combat
Engineer Tractor)
- Wheeled Loaders; Graders; Excavators (Tracked and
Wheeled); Tracked Crane (20-40 tonnes); Dump
Truck (8 tonnes); Fork Lift (10 tonnes)
- Plant/Construction Equipment (Dozers, Cement Mixers,
Compressors, etc)
- Signals - HF/VHF Radios with advanced speech security for use
in the forward area
- Electronic Warfare Equipment
- Infantry - Light Anti-Tank Weapon Systems for use at Company/
Platoon level
- Coastguard - Fast Patrol Boats
Logistic and Training Support
Port Facilities

Jordan: King Hussein

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10 DOWNING STREET

From the Private Secretary

9 August 1984

This is just to record that the Prime Minister has seen and noted your letter of 7 August about the current state of play on defence sales to Jordan.

Tim Flesher

Simon Lowe, Esq.,
Ministry of Defence.

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