

INCOMING TELEGRAM *DEF 19-8 US-BRAZ*
Department of State

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49
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Action

1966 DEC 31 PM 12 35

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*Ref 6782
12/31/66*

ARA

ESB123

Info

SUA712

PP RUEHC RUEKDA RULPAL

SS DE RUESUA 6782 3651610

GPM ZNY CCCCC

SP P 311600Z DEC 66

SC FM AMEMBASSY RIO DE JANEIRO

L TO RUEHC/SECSTATE WASHDC PRIORITY

H RUEKDA/SECDEF WASHDC UNN

P INFO RULPAL/USCINCSO PRIORITY

USIA STATE GRNC

NSC BT

INR C O N F I D E N T I A L RIO DE JANEIRO 6782

CIA SECDEF FOR OSD/ISA, PASS INFO CNO

NSA CINCOS PASS INFO USNAVSO

ACDA REFERENCE - A. CINCOS 212155Z DEC

IGA B. COMUSMILGRP BRAZIL 9534 (NOTAL)

AID C. COMUSMILGRP BRAZIL SCBRP 9521 DTG 041730Z NOV (NOTAL)

E D. RIO 5512

MC

SUBJECT - BRAZILIAN IN-COUNTRY DE CONSTRUCTION

GDP

1. REGARDING REF A COUNTRY TEAM APPRECIATES DESIRE FOR BETTER
BOB DEFINED DE CONSTRUCTION PROGRAM AND CONSIDERS FOLLOWING INFOR-
COM MATION PERTINENT.

TRSY

2. FIRST, IT SHOULD BE CLEARLY UNDERSTOOD THAT DE DESIGN
XMB TECHNICAL REVIEW NOW IN PROGRESS NEED NOT RPT NOT HOLD UP

RSR

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ORDERING OF CERTAIN US EQUIPMENTS WHICH BRAZNAV WANTS TO PUT
IN THEIR NEW DE'S. BRAZNAV HAS FIRMLY DECIDED THEY WANT
STANDARD US RADARS. COMMUNICATION AND ELECTONIC EQUIPMENTS,
5 INCH/38 GUN, MK32 TORPEDO LAUNCHER, ETC. IN THESE SHIPS
REGARDLESS OF FINAL DECISION ON HULL DESIGN. REF B GIVES
DETAILED LISTING THESE EQUIPMENTS AND AMPLIFIES REF C, OF
WHICH COPY BEING SENT NONHOLDERS. MY COMMENTS PARA 7 REF D
ARE ALSO PERTINENT.

2. SECOND, ALL SHOULD UNDERSTAND THAT US DOLS 2.5 MILLION CREDIT
FUNDS ARE NEEDED NOW BECAUSE OF LONG LEAD TIMES INVOLVED.

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-2- RIO DE JANEIRO 6782, DECEMBER 31

AM INFORMED THAT LEAD TIMES FOR ABOVE-MENTIONED EQUIPMENTS NORMALLY ARE UP TO 24 MONTHS AND IN FEW INSTANCES MAY BE UP TO 30 MONTHS. REF C GIVES BRAZNAV TIMETABLE FOR COMMENCING CONSTRUCTION FIRST DE. THIS INCLUDES SIGNING CONTRACT WITH COMMERCIAL SHIPYARD IN JUNE 1967 WHICH MEANS THAT FOLLOW-ON TIMING OF CONSTRUCTING VARIOUS SECTIONS OF THE SHIP WILL BE AFFECTED BY IN-COUNTRY DELIVERY DATES ABOVE EQUIPMENTS.

4. I FEEL NAVY MINISTER DEFINITELY WANTS TO CONTINUE HAVING US EQUIPMENTS TOGETHER WITH US TRAINING IN BRAZNAV. HE IS SEEKING BETTER STANDARDIZATION OF EQUIPMENTS IN HIS SHIPS

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WITH CONCURRENT INCREASED EFFICIENCY AND ECONOMY IN PROVIDING LOGISTIC SUPPORT.

5. POLITICALLY, IT MAKES GOOD SENSE TO INCLUDE US DOLS 2.5 MILLION CREDIT SALE OFFER

OF PART OF CURRENT BRAZIL PACKAGE. THERE ARE OTHER US-BRAZIL CONSIDERATIONS IN PROGRESS HERE AND I CAN USE A FAVORABLE BRAZNAV/GOB ATTITUDE ON THIS SUBJECT.

6. FOR GENERAL PORTER. I APPRECIATE YOUR THOUGHTS EXPRESSED REF A AND TRUST THAT REF B PROVIDED DESIRED INFORMATION.

7. STRONGLY RECOMMEND INCLUSION US DOLS 2.5 MILLION FOR DE CONSTRUCTION AND CONSIDERATION FOR ADDITIONAL CREDIT LATER ON. TIME TO ACT ON THIS ONE IS NOW. TUTHILL
BT

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