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THE SECRETARY OF DEFENSE

WASHINGTON, THE DISTRICT OF COLUMBIA

DECLASSIFIED IN FULL
Authority: EO 13526
Chief, Records & Declass Div, WHS
Date: DEC 17 2018

19 AUG 1983

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
GENERAL COUNSEL

SUBJECT: O & M Cost Sharing Arrangement in Oman (U)

(S) In view of the President's recent decision on South-west Asia strategy as outlined in NSDD-99, and the importance of Oman for the successful implementation of the strategy, I have approved an O & M cost sharing arrangement under which the U.S. will rent Omani military facilities under a five-year lease for \$12M annually. That lease will become an amendment to the U.S./Oman Access Agreement. OSD General Counsel will work with your legal staffs to insure that the provisions of the lease include your requirements.

(S) The Air Force, as the host U.S. military service in Oman, will be the lease signatory. The other military services (Army, Navy, Marine Corps) each will be responsible for reimbursing the USAF for one-quarter of the annual rent (\$3M) under Inter-Service Support Arrangements. Air Force also is required to notify Congress 30 days before the lease is in force.

(S) In our December 1982 O & M offer, we agreed to pay Oman \$3M annually beginning in FY 85 for the readiness of Omani military facilities we intend to use during peacetime and contingency. The Air Force will make these payments to Oman on behalf of DoD, and the Army and Navy will reimburse the Air Force \$1M annually for their share of this amount.

(S) USAF participation will be required in presenting this offer to the Omani Government. MajGen Tixier, DASD/NESA, will continue to serve as my negotiator on O & M until this matter has been resolved.

Office of the Secretary of Defense
Chief, RDD, ESD, WHS
Date: 17 DEC 2006 Authority: EO 13526
Declassify: X Deny in Full: _____
Declassify in Part: _____
Reason: _____
MDR: 18 -M- 1477

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