

Proxmire Letter; 1987-03-13

~~SECRET~~

#1

1. (U) Question: Specifically what U.S. war materials, arms, spare parts or associated equipment were shipped directly or indirectly to Iran during what specific time periods?

~~(S)~~ Response: The Army transferred 2,008 Basic TOW missiles and 218 separate line items of repair parts for HAWK ground support equipment directly to the CIA under the Economy Act in 1986. The TOW missiles were transferred to the CIA in three increments--February 13, 1986 (1,000), May 19, 1986 (508) and November 3, 1986 (500). The HAWK parts were transferred to the CIA May 16-23, 1986. These are the materials which we understand were involved in the Iran arms transfers.

~~(S)~~ The bill and reimbursement for each shipment is as follows:

<u>TOW</u>	<u>BILL (1)</u>	<u>REIMBURSEMENT RECEIVED FROM CIA</u>
1st Shipment	\$ 3,484,691.00	X
2nd Shipment	1,769,752.00	X
3rd Shipment	1,742,000.00	X
Modification	377,720.00	X
Supplemental	2,557,392.00 (2)	
<u>HAWK Spare Parts</u>		
AMC Bills	2,087,264.00	X
	1,068,140.86	(3)
	4,325.00	(3)
	2,530.00	(3)
USAF Bill	385.25	(3)

~~CLASSIFIED BY: MULTIPLE SOURCES~~

~~DECLASSIFY ON: OADR~~

~~NO FOREIGN~~

~~WARNING NOTICE INTELLIGENCE~~

~~SOURCES AND METHODS INVOLVED~~

~~NOT RELEASABLE TO CONTRACTORS/
CONSULTANTS~~

Office of the Secretary of Defense Chief, RDD, ESD, WHS
Date: 15OCT2024 Authority: EO 13526 + 5 U.S.C. 552
Declassify: X Declassify in Part: Deny in Full:
Reason:
MDR: 22-M-0596

Declassified in Full
Authority: EO 13526
Chief, Records and Declass Div, WHS
Date: 15OCT2024

~~SECRET~~

22-M-0596

~~SECRET~~

<u>TOW</u>	<u>BILL</u>	<u>REIMBURSEMENT RECEIVED FROM CIA</u>
DLA	\$ 1,167.80	(3)
	18,188.22	(3)
	4,046.19	(3)
	98,077.76	(3)

(1) Billing does not reflect cost of the transportation which is submitted through a lengthy process to the US Army Finance and Accounting Center in Indianapolis. The cost for packing, crating and handling (PC&H) has not been received for all equipment shipped. Bills have been requested from the suppliers for all equipment. Full reimbursement is expected.

(2) Based on the Army Inspector General Investigation, a supplemental bill for \$2,557,392.49 was prepared and submitted to the CIA on 20 February 1987.

(3) Bills and reimbursements are being processed through normal Focal Point finance channels. Full reimbursement is expected.

2. (U) Question: Which of this equipment was drawn from U.S. inventories and what effect did this draw down have on U.S. readiness, the availability of spare parts, and inventory levels?

~~(S)~~ Response: All items of equipment and spare parts were drawn from U.S. military depot inventories. The inventory control points included the U.S. Army Materiel Command for the Basic TOW missiles and 146 of the requested repair parts for the HAWK ground support equipment. An additional 71 HAWK repair parts were managed by the Defense Logistics Agency, and one part by the U.S. Air Force.

The 2,008 Basic TOW missiles shipped constituted a reduction of approximately 1.4 percent of on-hand stocks. The Agency requested 238 separate line items of HAWK repair parts, of which 218 line items were shipped. Of this quantity, 144 line items had no significant impact on the Army's overall HAWK parts inventory, 38 lines put on-hand stocks below the reorder point and 36 lines depleted 50% to 100% of the on-hand stocks. The selling of the TOW missiles and the repair parts for HAWK ground support equipment has had minimal impact on Army readiness to date.

~~NO FOREIGN~~

~~WARNING NOTICE INTELLIGENCE~~

~~SOURCES AND METHODS INVOLVED~~

~~NOT RELEASABLE TO CONTRACTORS/~~

~~CONSULTANTS~~

~~SECRET~~