



Defense Security Cooperation Agency  
**NEWS RELEASE**

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## **Egypt – Co-production of M1A1 Abrams Tanks**

On 27 July, the Defense Security Cooperation Agency notified Congress of a possible Foreign Military Sale of equipment and services to support a possible sale of M1A1 Abrams Tanks to the Government of Egypt.

The Government of Egypt (GOE) has requested a coproduction program for the possible sale of 100 M1A1 Abrams tanks kits to include 100 M256 Armament Systems, 100 M2 .50 caliber machine guns, 200 M240 7.62mm machine guns, 12 M16A2 5.56mm rifles, spare and repair parts, support and test equipment, personnel training and training equipment, U.S. Government and contractor engineering and logistics support services, technical assistance and support, and other related elements of logistics support. The estimated cost is \$590 million.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a friendly country which has been and continues to be an important force for political stability and economic progress in the Middle East.

The GOE is demilitarizing its Soviet fleet. This proposed sale will increase the quantity of the Abrams tank coproduction program, started in 1988, from the current level of 655 tanks, to 755 tanks. The additional M1A1 tanks will modernize Egypt's tank fleet. Egypt, which has already co-produced the M1A1 Abrams tanks, will have no difficulty absorbing the additional tanks.

The proposed sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be General Dynamics of Sterling Heights, Michigan. There are no offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require the assignment of up to 30 U.S. contractor representatives for up to two years in Egypt. The five U.S. Government representatives already in country on HERCULES coproduction will also manage this program for production and fielding.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.