

**Intelligence Report** 

Office of Transnational Security and Technology Issues

4 October 1996

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(b)(1)Peru: Moving Ahead with Arms Deals (b)(3)Peru is buying MiG-29 fighters from Russia and SA-18 surface-to-air missiles from Ukraine These arms purchases most likely would upset peace efforts with Ecuador and could be a contentious issue at the American Defense Ministers' Conference in early October. Fighter Acquisition Peru is in the process of acquiring MiG-29 fighters from Russia Belarus' state-owned arms export company, Beltechexport, is providing flight training and is likely serving as the official seller of the fighters Training. In mid-September, MiG-29 flight training at a Belarussian airfield was interrupted because of a shortage of fuel. The Swiss and Peruvian brokers involved in the deal planned to supply funds so training could continue. This memorandum was prepared by Office of Transnational Security and Technology Issues, with a contribution from Office of Weapons Technology and Proliferation, for the Secretary or Derense's October trip to South America

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delivery could be delayed to Spring 1997 to prevent upsetting peace talks with Ecuador.  Air Defense Equipment  The Peruvian Air Force signed a \$10 million contract with Peruvian and Swiss arms brokers in 1996 for Ukrainian SA-18 surface-to-air missiles, launchers, and training equipment  Lima may acquire SA-15 self-propelled surface-to-air missile systems and Tunguska gun-missile air defense systems.		· · · · · · · · · · · · · · · · · · ·		; [T] ;	Top Secret
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## Implications

and cause concerns throughout South America. Peru's arms purchases could also be a contentious issue at the American Defense Ministers' Conference in early October.
• If Peru's weapons purchases are raised at the Conference or in other venues, Peruvian officials are likely to claim that Lima's procurements are aimed at replacing obsolete systems and cannot be considered new buys.
• The Peruvians may also claim that they are not involved in efforts to acquire weapons. Peruvian Foreign Minister Tudela, for example, told a Washington press conference in late September that Lima was not negotiating with Russia for fighters.
Although MiG-29s are only marginally more advanced than the few Mirage 2000s that Peru has on hand, the number of Russian fighters would provide Lima with clear air superiority over Ecuador's Air Force. Peru would probably not use the MiG-29 for many close air support, battlefield interdiction or strategic strike missions. However, if laser-guided AS-10 and AS-14 air-to-surface missiles were part of the deal, Lima
would acquire a precision strike capability which it currently lacks.
shoulder-fired SA-18 missiles would only give Lima a modest improvement in capability over existing inventories of SA-16s. The SA-18 offers the notable advantage of infrared counter-countermeasures capability against ejected flares from fighter aircraft.



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