

Report on Expansion of export of military production to the developing countries, 24

March 1969

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TO THE PRIME MINISTER

Comrade Todor Zhivkov

REPORT

from Tano Tzolov – Chairman of the State planning committee,

Lachezar Avramov - Minister of foreign trade,

Marij Ivanov – Minister of machine building

REFERENCE: Expansion of export of military production to the
developing countries

Comrade Zhivkov,

As per your instructions to plan activities in 1969-1970 to create favorable conditions to export military production to developing countries, we report the following:

The export of special production has considerably increased in the past years. The approved plan for 1969 foresees export of military products, produced

by the Ministry of machine building, at the amount of 59.9 million currency leva, out of which 44.7 million currency leva for 1st destination, and 15.2 million currency leva for 3rd destination, while the export in 1965 was 29.3 million currency leva, including 1.9 million currency leva for 3rd destination.

The main products for 3rd destination are: shooting cartridges, artillery ammunition, anti-tank guns and ammunitions for them.

Annually, about 200 million cartridges are produced based on Soviet models. Production of more than one type of cartridges, particularly those not in service in our country, like cartridges “NATO”, “G EKO”, etc., causes difficulties. These difficulties are caused by re-adjustment of installations, provision of materials not standard for our countries, etc. This imposes that the production room be equipped with all-purpose equipment, ensuring flexibility in the production of several kinds of cartridges, and using local materials. It is possible to deliver such equipment in 1969 only from 2nd destination. Ten presses are needed, for which we have offers from French firms, at the price of 430 000 dollars. This amount of money could be provided through extra export of “Kintex”. The delivery of presses will ensure conditions to increase by 30% the coefficient of utilization of materials. Thus, export for 3rd destination could be increased in 1970 by 70 million cartridges.

We have capabilities to produce artillery ammunitions – cartridge-cases, fillers, detonators and capsules. We are short of one line for mechanical processing of grenades, 25 machines for instruments, and 20 automatic machines.

Capabilities for production of anti-tank devices are in full use. Currently 350 000 are being produced. To increase production, we need machines. Afterwards, production will be possible for 100 000, or the total production will reach 450 000.

Necessary machines for production of artillery ammunition and anti-tank devices could be delivered from socialist countries, where 2.5 million currency leva are needed.

To use local materials in the production of special items, it is necessary to ask the Ministry of chemistry and metallurgy to provide high quality materials,

meeting military and technical requirements. Our country can produce steel, brass bands for cartridge-cases and bullets.

All this will improve the capabilities for special production, and will create opportunities for better operability in export for 3rd destination. Capabilities will allow production for about 30 million leva.

As far as special production expansion for 1971-1975 is concerned, suggestions are being prepared in coordination with the Soviet Union and other socialist countries, for approval. The Ministry of foreign trade will work out their considerations for 2nd and 3rd destination.

In regard to the above mentioned, we propose that the Council of Ministers approve the following

RESOLUTION:

1. To increase the plan for “Metalchim” to import machines from 1st destination for 1969 by 1 million currency leva.
2. To equip the production lines for artillery ammunition, the Ministry of foreign trade shall import, on the request of the Ministry of machine-building:
 - in 1969, machines at the value of 1 million currency leva;
 - in the beginning of 1970, machines at the value 1.5 million currency leva, to realize the plan for 1970.
3. The Ministry of foreign trade, respectively “Kintex”, shall import in 1969 10 presses for the production of cups for cartridge-cases for steel shooting cartridges. Necessary currency amounting to 430 000 dollars shall be provided by “Kintex” through extra quantity of special production export.
4. The Ministry of machine building and the Ministry of chemistry and metallurgy shall use local materials for the production of special products. For this purpose:
 - the Ministry of machine building shall continue using elements of new local materials for ammunitions;

- the Ministry of chemistry and metallurgy shall provide necessary quantities of steel and brass band, as well material for bullets, requested by the Ministry of machine-building.
- 5. The State planning commission, the Ministry of supplies and state reserve, and the Ministry of chemistry and metallurgy shall provide the necessary quantities and materials for export of special production.
- 6. With the elaboration of the perspective plan for social and economic development of the country in the period 1971-1975, to ensure further development of the defense industry, to meet the needs of the armed forces and export of defense production.
- 7. The Ministry of foreign trade shall initiate the development of additional markets to increase special production export.

Sofia, March 1969

Chairman of State Planning Committee

Minister of foreign trade

Minister of machine building

[Translated by Greta Keremidchieva]