

From Judith Frey -  
Rec'd 11/6/91

I. Total Grant Aid Deliveries:

- A. Foreign Military Financing Waived
- B. MAP Merger Funds
- C. MAP Deliveries
- D. Military Assistance Service Funded (MASF)  
Deliveries (Would not apply to Central America;  
used to fund Vietnam War)
- E. Excess MAP/MASF Deliveries (Again, MASF  
Deliveries would not apply to Central America)

1. To answer your question under No. I, the Excess MAP/MASF Programs/Deliveries columns reflect the value of excess equipment provided on a grant basis to foreign recipients at the original acquisition cost to the US Government. Included in these columns are equipment and materiel that were either excess to the needs of the US military departments, or other MAP recipients. These data are not included in the MAP Program/Deliveries columns, which represent, in addition to supplies and services, equipment provided from US military departments' inventories or items procured in anticipation of a MAP requirement.

2. In response to your question under No. II, what I said was that the sales **agreements** represent sales for which a country either paid cash or utilized any foreign military financing allocated to them (either reimbursable or non-reimbursable) and that the columns for the financing program were informational in nature and should not be added to total sales agreements because that would result in an overstatement of total sales.

As to your methodology for arriving at reimbursable sales deliveries, if you take the sales program (agreements) as a total, as of the end of FY 1990, cumulative purchases amounted to \$211.7 billion. Subtracting cumulative grant financing of \$33 billion from that total leaves possible reimbursable deliveries of \$178.7 billion. However, if you subtract cumulative grant financing from actual cumulative deliveries of \$149.7 billion, that leaves only \$116.7 billion in reimbursable deliveries, or a difference of \$62 billion. As of the end of FY 1990, cumulative sales agreements are only about 71% delivered, thus your concept does not give the most accurate picture of actual reimbursable deliveries since you are subtracting the entire grant financing program (applied against total sales agreements) from a program that is only partially delivered.

3. You have a category for reimbursable credit--why not one for non-reimbursable credit, as well?

I hope these comments serve to clear up any misconceptions about the data. I really can't provide any

\* →

(i.e.)  
MFV + MAF

X//

more information other than what is contained in my comments above.

*Ja Grey*