

G-WAN-3/73  
3262/PHIL

APR 24 1975

Philippine Loran-A

Chief, Office of Marine Environment and Systems

Commandant

VIA : Chief of Staff

REF : (a) SECTRANS ltr of 8 APR 75 to SECDEF, re subject

1. Reference (a), addressed to SECDEF, has been received by the several action elements of the Department of Defense (DOD) and is currently in an action status there. Our contact in the Office of the Secretary of Defense reports that a letter is now on its way to SECDEF for approval, or signature, addressed to the Office of Management and Budget (OMB). It is reported to contain the following:

- a. Transmits a copy of reference (a)
- b. Notes a need for funding action
- c. Calls attention to the Joint Chiefs of Staff validated requirement for continuation of Loran-A in the Philippines through 1977
- d. Points out the Coast Guard's long term involvement with DOD in Loran
- e. Asks for OMB support for the DOD Loran-A program.

2. The Department of State (DOS) has received a proposed agreement, from the American Embassy Manila, for continuation of U.S. support for Loran-A stations in the Philippines. This proposal, being held in abeyance at DOS, has been discussed with Philippine authorities and they have tentatively agreed with its contents. The proposed agreement, which is essentially the same as the 1970 agreement, would continue to:

- a. Provide an annual contribution of \$5,000 per station (5 stations).
- b. Support Loran-A transmitting station equipment.

New elements would:

- a. Reduce the agreement from the previous long term to a renewable, annual agreement.
- b. Provide for support of Loran-A transmitting equipment located at Sangley Training Center. This equipment was provided under terms of the 1970 agreement.

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3. It is visualized that we should expect some additional capital outlays in connection with Philippine Loran-A operation if the United States interests extend more than two or three years. This outlay would be for such things as antenna repairs and building restoration.

4. The Embassy advised that during discussions, Philippine international obligations and interests in efficient and ultimately independent operation of Loran stations was emphasized; but, this was not enthusiastically noted by the Philippine authorities. However, it is to be noted that obligation of Philippine funds to carry their share of continued Loran operations represents material commitment to Loran.

5. In view of the foregoing I have directed my staff to take the following steps, realizing full well that the DOD/OMB/DOT funding action may require considerable time to resolve:

a. Fully apprise all concerned Coast Guard elements of the contents of SECTRANS letter of 8 April 1975.

b. Take steps to assure that planning for disestablishment of the LORTAD facility by 30 June 1975 is completed.

c. Assess the potential dollar impact for future capital outlays to the station for repairs to existing plant.

6. I will keep you fully advised of the result of actions which I have begun, and of interrelated matters as they unfold.

RELEASE