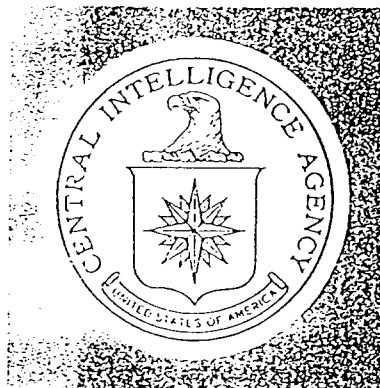


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DIRECTORATE OF
INTELLIGENCE

Intelligence Memorandum

*Soviet Seaborne Shipments
to North Vietnam: Plans for 1968*

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CENTRAL INTELLIGENCE AGENCY
Directorate of Intelligence
April 1968

INTELLIGENCE MEMORANDUM

Soviet Seaborne Shipments to North Vietnam:
Plans for 1968

Summary

The USSR has announced plans to increase sea-borne shipments to North Vietnam by 20 percent in 1968. The implied growth in North Vietnamese imports from the USSR above the 1967 level is about 125,000 tons -- less than the increases of 137,000 in 1966 or 141,000 in 1967. About 30 additional ship arrivals would be needed to carry the increase in tonnage planned for 1968.

In the first quarter of 1968, imports from the USSR ran 30 percent higher than the monthly average in 1967. All of this increase consisted of shipments of petroleum and foodstuffs; these commodities probably account for most of the planned growth for the year.

Note: This memorandum was produced entirely by CIA.
It was prepared by the Office of Economic Research.

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Planned Increase for 1968

1. The Soviet Ministry of the Maritime Fleet has announced that deliveries by Soviet ships to Haiphong* will increase by 20 percent in 1968. A 20-percent growth would raise North Vietnamese sea-borne imports from the USSR from 627,000 metric tons in 1967 to more than 750,000 tons in 1968.** An increase of this size would be smaller in both relative and absolute terms than those in 1966 and 1967. The year of greatest growth was 1966, when North Vietnam's imports from the USSR rose 39 percent, as shown in the following tabulation:

| <u>Year</u> | <u>Thousand Metric Tons</u> | | <u>Percentage Increase over Previous Year a/</u> |
|-------------|-----------------------------|---------------------------------------|--|
| | <u>Yearly Total</u> | <u>Increase over Previous Year a/</u> | |
| 1964 | 277 | N.A. | N.A. |
| 1965 | 349 | 72 | 26 |
| 1966 | 486 | 137 | 39 |
| 1967 | 627 | 141 | 29 |
| 1968 | 753 | 125 | 20 |

a. Based on unrounded data.

Record in 1968 and Prospects

2. The monthly average of North Vietnamese sea-borne imports from the USSR in the first quarter of 1968 was 30 percent larger than the monthly average in 1967. Petroleum and foodstuffs accounted for all of the increase in the first quarter, as shown in the following tabulation of average monthly imports from the USSR:

* About 99 percent of North Vietnam's imports by sea in 1967 were delivered to the port of Haiphong.

** Imports from the USSR made up 94 percent of the total volume delivered by Soviet ships in 1967. The remaining cargoes came from North Korea, Cambodia, Eastern Europe, Japan, and Singapore.

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| Commodity | Metric Tons | | | |
|-----------------------|---------------------|---------------|---------------|---------------|
| | Monthly Averages a/ | | | First Quarter |
| | 1965 | 1966 | 1967 | 1968 |
| Fertilizer | 6,500 | 9,300 | 8,200 | 8,200 |
| Petroleum | 12,900 | 16,500 | 15,700 | 24,900 |
| Bulk food- stuffs | 60 | 600 | 13,800 | 21,400 |
| Miscel- laneous b/ | 9,600 | 14,150 | 14,600 | 13,400 |
| <i>Total</i> | <u>29,100</u> | <u>40,500</u> | <u>52,300</u> | <u>67,900</u> |

a. Because of rounding, components may not add to the totals shown.

b. This category includes metal products, machinery, equipment, and unidentified cargo.

The pace at which petroleum will be imported in the remainder of the year will depend for the most part on the level of economic and logistic activity; actual imports of foodstuffs will depend on the results of the rice harvests. Imports of these commodities probably account for most of the planned increase in total seaborne imports from the USSR in 1968.

Ship Arrivals and Congestion

3. A 20-percent increase in Soviet exports to North Vietnam in 1968 would require approximately 30 additional ship arrivals and would raise the monthly average of Soviet ship arrivals from 15.1 per month in 1967 to 17.6 per month in 1968. Monthly averages of Soviet ship arrivals since the beginning of 1965 are as follows:

| | Monthly Averages | | | |
|---------------|------------------|------|------|-----------------------|
| | 1965 | 1966 | 1967 | First Quarter 1968 |
| Ship arrivals | 6.6 | 10.2 | 15.1 | 18.0 |

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4. Thirty additional Soviet ship arrivals during 1968 should not worsen ship congestion in Haiphong appreciably. Many will be tankers, which are easier to schedule, and which do not compete with dry cargo ships for berths and cargo-handling equipment.

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