

Report from Minister of Foreign Trade for free aid of armament to North Vietnam,

09 August 1966

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TO THE PRIME MINISTER

Comrade Todor Zhivkov

REPORT

from Lachezar Avramov –

Secretary of the Central Committee of the BCP and Minister

REFERENCE: Granting additional free assistance and additional long-term credit to the Democratic Republic of Vietnam

Comrade Prime Minister,

On 28 July this year, our charge d'affaires in Hanoi was received by Comrade Le Than Ngi – Vice-Premier of the DR Vietnam, who handed him a letter of requests on behalf of Comrade Pham Van Dong – Prime Minister of DR Vietnam, related to the request of the government of DR Vietnam to receive assistance free of charge from Bulgaria in 1967, as well as additional credit for delivery of facilities.

The total amount of the requested economic assistance is about 13.3 million rubles, 3.3 million rubles out of which for delivery of facilities and 10 million rubles for delivery of installations and materials. Special equipment is not included in this amount. The Vietnamese side proposed that 9 million rubles be considered as free assistance or long-term credit, and 1 million rubles be paid through import of their goods in 1967. They request that payment of balance for 1966 be postponed for a later date.

Within the requested credit of 3.3 million rubles, they claim the following facilities: 10 auto-repair shops, 15 small hydroelectric stations with power from 100 to 500 kW with transformers and command panels, 2 high voltage and low voltage power transmission lines 200 km each, 22 cooling installations – 2 of them 500 tons and 20 of them 50 tons.

Taking into account our investigations, it was concluded that our country is in a position to supply the requested facilities; however the estimated value is considerably higher. I propose that the number and type of facilities be coordinated during negotiations depending on the amount of credit and the cost of each facility.

As a part of free assistance, the Vietnamese side has requested the following important items: batteries - 300 000 rubles, electrical conductors – 650 000 rubles, copper wire – 300 tons, iron and steel – 5 000 tons, lead – 600 tons, zinc – 200 tons, caustic soda – 1 000 tons, medications – 800 000 rubles, cotton fabrics – 1 500 000 m, and others.

Most of the requested items have been delivered to the DR Vietnam so far in quantities much smaller than those ordered now. Requested items will have to be allocated from the export plan or to be included in the export plan to DR Vietnam.

Based on the enclosed list of goods and additional requests, which the Vietnamese side will put forward, talks could be held with a Vietnamese delegation to reach final agreement on the items to be delivered from our country

to DR Vietnam free of charge. I suggest that the amount of free assistance, comprising civil goods, special supplies and additional credit, to be increased by 30%, compared to what has been specified in agreements so far. Thus, the amount of free support, including special supplies, will amount to 5.6 million roubles, and additional credit - to 3 million roubles, which calls for signing the respective agreements. In addition, a regular agreement for exchange of goods and payments will be signed for 1967.

The list of special equipment shall be coordinated during negotiations with the Vietnamese delegation, depending on their needs and our capabilities for assistance of special delivery.

Transportation expenses in-country and to the Vietnamese border shall be covered by our country.

I suggest that the Council of Ministers accept this

ORDER

1. To grant the Democratic Republic of Vietnam assistance of 5.6 million roubles, including 2.6 million roubles special equipment, as well as additional long-term credit at the amount of 3 million roubles in 1967.

2. To oblige the Minister of foreign trade to hold negotiations and sign on behalf of the government of Bulgaria with the government of DR Vietnam a credit agreement and agreement for rendering assistance within the amounts, specified in Item 1. The goods, specified in the enclosed list, shall be taken as basis during negotiations. The Minister of foreign trade is authorized, during negotiations, in coordination with the State planning commission, to make changes depending on requests by the Vietnamese side and our capabilities to meet them.

3. Expenses for purchase of goods and special equipment, as well as for packing and transportation, shall be covered from the government reserve; and foreign currency expenses for transportation from the Bulgarian to the

Vietnamese border shall be covered by “Transport operations of foreign currency plan”.

4. Special equipment, to be taken from the stocks of the Ministry of defense, or from the current plan for 1966-1967, as well as what has been imported for the army, shall be replenished in 1967-1968 by the Ministry of foreign trade – Engineer Department. For this purpose, the State planning commission and the Ministry of finance shall plan the necessary foreign currency and budget funds for the Ministry of foreign trade.

5. To oblige the respective ministries and institutions to prepare timely and in appropriate packing the items to be exported to DR Vietnam in accordance with the agreements.

6. On the basis of the agreements signed, the State planning commission and the Ministry of finance shall make corrections in the economic plan.

MINISTER: [Lachezar Avramov]

[Translated by Greta Keremidchieva]