

No. 12827

**UNITED STATES OF AMERICA
and
UNION OF SOVIET SOCIALIST REPUBLICS**

**Agreement regarding certain maritime matters (with annexes, exchanges of notes, related letter, and memorandum of understanding dated 22 November 1972).
Signed at Washington on 14 October 1972**

Authentic texts: English and Russian.

Registered by the United States of America on 21 November 1973.

**ÉTATS-UNIS D'AMÉRIQUE
et
UNION DES RÉPUBLIQUES SOCIALISTES
SOVIÉTIQUES**

Accord relatif à certaines questions maritimes (avec annexes, échanges de notes, lettre connexe, et mémorandum d'accord en date du 22 novembre 1972). Signé à Washington le 14 octobre 1972

Textes authentiques : anglais et russe.

Enregistré par les États-Unis d'Amérique le 21 novembre 1973.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE UNION OF SOVIET SOCIALIST REPUBLICS REGARDING CERTAIN MARITIME MATTERS

The Government of the United States of America and the Government of the Union of Soviet Socialist Republics;

Being desirous of improving maritime relations between the United States and the Soviet Union, particularly through arrangements regarding port access and cargo carriage by sea; and

Acting in accordance with article seven of the Basic Principles of Relations Between the United States of America and the Union of Soviet Socialist Republics, signed in Moscow on May 29, 1972,

Have agreed as follows:

Article 1. For purposes of this Agreement:

a. "Vessel" means a vessel sailing under the flag of a Party, registered in the territory of that Party, or which is an unregistered vessel belonging to the Government of such Party, and which is used for:

- (i) Commercial maritime shipping, or
- (ii) Merchant marine training purposes, or
- (iii) Hydrographic, oceanographic, meteorological, or terrestrial magnetic field research for civil application.

b. "Vessel" does not include:

- (i) Warships as defined in the 1958 Geneva Convention on the High Seas;²
- (ii) Vessels carrying out any form of state function except for those mentioned under paragraph *a* of this article.

Article 2. This Agreement does not apply to or affect the rights of fishing vessels, fishery research vessels, or fishery support vessels. This Agreement does not affect existing arrangements with respect to such vessels.

Article 3. The ports on the attached list of ports of each Party (annexes I and II, which are a part of this Agreement) are open to access by all vessels of the other Party.

Article 4. Entry of all vessels of one Party into such ports of the other Party shall be permitted subject to four days' advance notice of the planned entry to the appropriate authority.

Article 5. Entry of all vessels referred to in subparagraphs *a* (ii) and *a* (iii) of article 1 into the ports referred to in article 3 will be to replenish ships' stores or fresh water, obtain bunkers, provide rest for or make changes in the personnel of such vessels, and obtain minor repairs and other services normally provided in such ports, all in accordance with applicable rules and regulations.

¹ Came into force on 22 November 1972 by mutual agreement of the Parties, in accordance with article 10.

² United Nations, *Treaty Series*, vol. 450, p. 11.

Article 6. Each Party undertakes to ensure that tonnage duties upon vessels of the other Party will not exceed the charges imposed in like situations with respect to vessels of any other country.

Article 7. While recognizing the policy of each Party concerning participation of third flags in its trade, each Party also recognizes the interest of the other in carrying a substantial part of its foreign trade in vessels of its own registry, and thus both Parties intend that their national flag vessels will each carry equal and substantial shares of the trade between the two nations in accordance with annex III which is a part of this Agreement.

Article 8. Each Party agrees that, where it controls the selection of the carrier of its export and import cargoes, it will provide to vessels under the flag of the other Party participation equal to that of vessels under its own flag in accordance with the agreement in annex III.

Article 9. The Parties shall enter into consultations within fourteen days from the date a request for consultation is received from either Party regarding any matter involving the application, interpretation, implementation, amendment, or renewal of this Agreement.

Article 10. This Agreement shall enter into force on January 1, 1973; provided that this date may be accelerated by mutual agreement of the Parties. The Agreement will remain in force for the period ending December 31, 1975, provided that the Agreement may be terminated by either Party. The termination shall be effective ninety days after the date on which written notice of termination has been received.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

DONE at Washington this fourteenth day of October, 1972, in duplicate in the English and Russian languages, both equally authentic.

For the Government
of the United States of America:

For the Government
of the Union of Soviet Socialist
Republics:

[Signed]

PETER G. PETERSON
Secretary of Commerce

[Signed]

TIMOFEY B. GUZHENKO
Minister of Merchant Marine

ANNEX I

PORTS OF THE UNITED STATES OF AMERICA OPEN TO CALLS UPON NOTICE

- | | |
|---------------------------|--|
| 1. Skagway, Alaska | 8. Olympia, Washington |
| 2. Seattle, Washington | 9. Tacoma, Washington |
| 3. Longview, Washington | 10. Coos Bay (including North Bend), Oregon |
| 4. Corpus Christi, Texas | 11. Portland (including Vancouver, Washington), Oregon |
| 5. Port Arthur, Texas | 12. Astoria, Oregon |
| 6. Bellingham, Washington | |
| 7. Everett, Washington | |

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|--|--|
| 13. Sacramento, California | 27. Brownsville, Texas |
| 14. San Francisco (including Alameda, Oakland, Berkeley, Richmond), California | 28. Ponce, Puerto Rico |
| 15. Long Beach, California | 29. New York (New York and New Jersey parts of the Port of New York Authority), New York |
| 16. Los Angeles (including San Pedro, Wilmington, Terminal Island), California | 30. Philadelphia, Pennsylvania (including Camden, New Jersey) |
| 17. Eureka, California | 31. Baltimore, Maryland |
| 18. Honolulu, Hawaii | 32. Savannah, Georgia |
| 19. Galveston/Texas City, Texas | 33. Erie, Pennsylvania |
| 20. Burnside, Louisiana | 34. Duluth, Minnesota/Superior, Wisconsin |
| 21. New Orleans, Louisiana | 35. Chicago, Illinois |
| 22. Baton Rouge, Louisiana | 36. Milwaukee, Wisconsin |
| 23. Mobile, Alabama | 37. Kenosha, Wisconsin |
| 24. Tampa, Florida | 38. Cleveland, Ohio |
| 25. Houston, Texas | 39. Toledo, Ohio |
| 26. Beaumont, Texas | 40. Bay City, Michigan |

A N N E X II

PORTS OF THE UNION OF SOVIET SOCIALIST REPUBLICS OPEN TO CALLS UPON NOTICE

- | | | |
|-----------------|---------------------------|--|
| 1. Murmansk | 16. Izmail | 31. Nakhodka |
| 2. Onega | 17. Kiliya | 32. Aleksandrovsk-Sakhalinskiy |
| 3. Arkhangel'sk | 18. Belgorod-Dnestrovskiy | 33. Makarevskiy Roadstead (Roadstead Doue) |
| 4. Mezen' | 19. Il'ichevsk | 34. Oktyabr'skiy |
| 5. Nar'yan-Mar | 20. Odessa | 35. Shakhtersk |
| 6. Igarka | 21. Kherson | 36. Uglegorsk |
| 7. Leningrad | 22. Novorossiysk | 37. Kholmsk |
| 8. Vyborg | 23. Tuapse | 38. Nevel'sk |
| 9. Pyarnu | 24. Poti | 39. Makarov Roadstead |
| 10. Riga | 25. Batumi | 40. Poronaysk |
| 11. Ventspils | 26. Sochi | |
| 12. Klaipeda | 27. Sukhumi | |
| 13. Tallinn | 28. Yalta | |
| 14. Vysotsk | 29. Zhdanov | |
| 15. Reni | 30. Berdyansk | |

A N N E X III

SUPPLEMENTAL AGREEMENT ON NATIONAL FLAG CARGO CARRIAGE

Whereas, each Party recognizes the policy of the other concerning the participation of third flags in its trade, each Party also recognizes the interest of the other in carrying a substantial part of its foreign trade in vessels of its own registry and thus both Parties intend that their national flag vessels will each carry equal and substantial shares of the trade between the two nations in accordance with this annex, and

Whereas, each Party has agreed that, where it controls the selection of the carrier for its export and import cargoes, it will provide to vessels under the flag of the other Party participation equal to that of vessels under its own flag,

It is agreed as follows:

1. *Definitions*

For the purpose of this annex and the Agreement of which this annex is a part:

a. "Substantial share of the trade between the two nations" means not less than one-third of bilateral cargoes.

b. "Bilateral cargo" means any cargo, the shipment of which originates in the territory of one Party and moves in whole or in part by sea to a destination in the territory of the other Party, whether by direct movement or by transshipment through third countries.

c. "Controlled cargo" means any bilateral cargo with respect to which a public authority or public entity of either Party or their agents has the power of designating the carrier or the flag of carriage at any time prior to such designation, and includes:

- (i) on the United States side all bilateral cargo which a public authority or public entity of the United States has or could have the power at any time to designate the flag of carriage pursuant to cargo preference legislation, and
- (ii) on the Soviet side all bilateral cargo imported into or exported from the territory of the USSR where a commercial body or other authority or entity of the USSR has or could have the power at any time to designate the carrier.

d. "Accountable liner share" means the U.S. dollar freight value of liner carryings of controlled cargo by vessels under the flag of each Party, computed for accounting purposes using the conference rates in effect at the time of carriage or, in the absence of such rates, using other rates to be agreed between the two Parties.

e. "Accountable charter share" means the U.S. dollar freight value of carryings under contracts or arrangements covering the carriage of controlled cargo by vessels under the flag of each Party, which are not in liner service, computed for accounting purposes at rates to be agreed between the Parties. Accountable charter share will not include movements of any bulk cargoes in shipload lots of 8,000 long tons or more from the Union of Soviet Socialist Republics to the United States that are carried by the national flag vessels of either Party provided the conditions stated in subparagraph *b* of paragraph 3 of this annex have been complied with.

f. "Accounting period" means a calendar year or any portion of an incomplete calendar year during which this Agreement is in effect.

2. *General operating rules*

a. Each Party undertakes to ensure that its controlled cargo is directed in a manner which

- (i) provides to vessels under the flag of the other Party an accountable liner share and an accountable charter share equal in each category to those of vessels under its flag, and which continually maintains parity during each accounting period, and
- (ii) is consistent with the intention of the Parties that their national flag vessels will each carry not less than one-third of bilateral cargoes.

b. To the extent that bilateral cargo that is not controlled cargo is carried in a manner which does not maintain parity between national flag vessels, computed in accordance with the principles specified in subparagraphs *d* and *e* of paragraph 1 of this annex, the excess of such carriage will be added to the accountable liner share or accountable charter share, as the case may be, of the overcarrier and will be offset to the extent possible by an entitlement of a compensating share of controlled cargo in the appropriate category to the undercarrier.

c. Whenever vessels under the flag of one Party are not available to carry controlled cargo offered for carriage between ports served by such vessels with reasonable notice and upon reasonable terms and conditions of carriage, the offering Party shall be free to direct such cargo to its national flag or to third flag vessels. Cargo so directed to the offering Party's national flag vessels will not be included in its accountable liner share or accountable charter share for purposes of subparagraph *a* (i) of paragraph 2 of this annex, if the designated representative of the other Party certifies that its national flag vessels were in fact unavailable at the time of the offer.

d. Cargo not carried in the vessels of a Party because of non availability of a vessel shall nonetheless be included in bilateral cargo for purposes of subparagraph *a* (ii) of paragraph 2 of this annex, and controlled cargo shall continue to be directed to meet the undertakings of said subparagraph. To the extent that deficiencies in meeting the undertakings in such subparagraph exist at the end of an accounting period because of unavailability of vessels of a Party which the representative of that Party has certified were unavailable as provided above in subparagraph *c* of paragraph 2, the other Party shall not be required to make up such deficiency in the following accounting period.

e. To the extent consistent with the foregoing provisions of this paragraph 2, each Party is free to utilize the services of third flag shipping for the carriage of controlled cargo.

3. *Special bulk cargo rules*

a. When controlled bulk cargo is carried from the United States to the Union of Soviet Socialist Republics by U.S.-flag vessels, such cargo shall be carried at a mutually acceptable rate, provided that this shall not prevent the offering and fixing of a lower rate if such lower rate is accepted by a U.S.-flag carrier at the time of offering.

b. It is recognized that movements of any bulk cargoes in shipload lots of 8,000 long tons or more from the Union of Soviet Socialist Republics to the United States shall be carried at the then current market rates. In furtherance of this objective, an equivalent quantity of such controlled cargoes as are offered to Soviet-flag vessels will be offered to U.S.-flag vessels at the current charter market rate and with reasonable notice. Any offerings of such cargoes that are not accepted by U.S.-flag vessels may be carried by Soviet-flag vessels or other vessels.

4. *Implementation*

a. Each Party shall designate a representative for implementation of the principles and rules of this annex, the representative of the United States being the Maritime Administration, Department of Commerce, and the representative of the Union of Soviet Socialist Republics being the Ministry of Merchant Marine. Each Party shall authorize its representative to take action under its laws and procedures, and in consultation with the designated representative of the other Party, to implement this annex as well as to remedy any departures from the agreed operating rules.

b. The Parties further agree that the designated representatives shall:

- (i) meet annually for a comprehensive review of the movement of bilateral cargo and for such other purposes related to the Agreement as may be desirable;
- (ii) engage in such consultations, exchange such information and take such action as may be necessary to insure effective operation of this annex and the Agreement of which this annex is a part;
- (iii) make mutually satisfactory arrangements or adjustments, including adjustments between accounting shares and accounting periods, to carry out at all times the ob-

jectives of this annex and the Agreement of which this annex is a part. Any departures from such objectives shall be accommodated on a calendar quarterly basis to the extent possible and in no event shall departures be permitted to continue beyond the first three months of the next accounting period; and

- (iv) resolve any other problems in the implementation of this annex and the Agreement of which this annex is a part.

5. *Commercial arrangements*

a. The Parties recognize that, pursuant to their respective laws or policies, carriers under their flags may enter into commercial arrangements for the service and stabilization of the trade between them which shall not unduly prejudice the rights of third-flag carriers to compete for the carriage of controlled cargo between the territories of the Parties.

b. Such commercial arrangements shall not relieve the Parties of their obligations under this annex and the Agreement of which this annex is a part.

EXCHANGES OF NOTES

I a

Washington, October 14, 1972

Dear Mr. Minister:

With reference to the Agreement between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics, signed today, concerning certain maritime matters, I have the honor to confirm the understanding reached between us that the provisions of articles 7 and 8 of the Agreement and the provisions of annex III thereof are not intended to apply to the carriage of liquefied natural gas (LNG) from the Union of Soviet Socialist Republics to the United States. Arrangements for such carriage will be negotiated in connection with the development of projects for the sale of LNG for use in the United States.

Very truly yours,

[Signed]

PETER G. PETERSON
Secretary of CommerceHis Excellency Timofey B. Guzhenko
Minister of Merchant Marine
of the Union of Soviet Socialist Republics

II a

[RUSSIAN TEXT — TEXTE RUSSE]

Москва, 14 октября 1972 г.

Уважаемый господин П. Г. Питерсон,

Ссылаясь на подписанное сегодня Соглашение между Правительством Союза Советских Социалистических Республик и Правительством Соединенных Штатов Америки по некоторым вопросам морского судоходства, подтверждаю получение Вашего письма от той же даты и понимание моего Правительства в том, что положения Статей 7 и 8 Соглашения и положения Приложения III к нему не имеют ввиду применять к перевозкам сжиженного природного газа (СПГ) из Союза Советских Социалистических Республик в Соединенные Штаты Америки. Договоренность о таких перевозках будет обсуждена в связи с развитием проектов по продаже СПГ для использования в Соединенных Штатах.

С уважением,

[Signed — Signé]

Т. Б. ГУЖЕНКО
Министр Морского Флота СССРГосподину П. Г. Питерсону
Министру Торговли США
г. Вашингтон

[TRANSLATION¹ — TRADUCTION²]

Moscow, October 14, 1972

Dear Mr. P. G. Peterson:

With reference to the Agreement between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics Concerning Certain Maritime Matters, signed today, I confirm the receipt of your letter of the same date and the understanding of my Government that the provisions of articles 7 and 8 of the Agreement and the provisions of annex III thereof are not intended to apply to the carriage of liquefied natural gas (LNG) from the Union of Soviet Socialist Republics to the United States. Arrangements for such carriage will be negotiated in connection with the development of projects for the sale of LNG for use in the United States.

Very truly yours,

[Signed]

T. B. GUZHENKO
Minister of the Merchant Marine of the USSRHonorable P. G. Peterson
Secretary of Commerce of the USA
Washington, D.C.

I b

Washington, October 14, 1972

Dear Mr. Minister:

With reference to the Agreement between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics, signed today, concerning certain maritime matters, I wish by this letter to inform the Government of the Union of Soviet Socialist Republics of the following clarifications and interpretations of statements contained in such Agreement.

- The phrase in paragraph *a* of article 1 “registered in the territory of that Party” shall include unregistered vessels which are numbered under the laws of a state or political subdivision of the United States.
- The phrase in paragraph *a* of article 1 “an unregistered vessel belonging to the Government of such Party” refers to certain vessels which belong to the Government of the United States and which are not registered vessels.

¹ Translation supplied by the Government of the United States of America.² Traduction fournie par le Gouvernement des Etats-Unis d'Amérique.

I am appending a current list of major United States oceanographic, hydrographic, meteorological and magnetic field research vessels referred to in subparagraph *a* (iii) of article 1 of the Agreement mentioned above.

Very truly yours,

[Signed]

PETER G. PETERSON
Secretary of Commerce

Enclosure:

Current list of major United States
oceanographic, hydrographic, meteorological
and magnetic field research vessels.

His Excellency Timofey B. Guzhenko
Minister of Merchant Marine
of the Union of Soviet Socialist Republics

CURRENT LIST OF MAJOR U.S. OCEANOGRAPHIC, HYDROGRAPHIC, METEOROLOGICAL, AND MAGNETIC FIELD VESSELS

Operating Agency	Ship Name and Designator	Owner	Ship Type	Year Built	Year Converted	Length (Feet)	Displacement (Tons)	Accommodations	
								Crew	Scientists
Department of the Navy (Oceanographer of the Navy/Navy Laboratories)	Sands (T-AGOR 6)	Navy	AGOR 3 Cl.	1964	N/A	208	1,355	26	15
	Lynch (T-AGOR 7)	Navy	AGOR 3 Cl.	1965	N/A	208	1,355	26	15
	Mizar (T-AGOR 11)	Navy	ex-T-AK	1957	1964	266	3,886	41	19
	Desteiguer (T-AGOR 12)	Navy	AGOR 3 Cl.	1969	N/A	208	1,340	27	15
	Bartlett (T-AGOR 13)	Navy	AGOR 3 Cl.	1969	N/A	208	1,340	27	15
	Hayes (T-AGOR 16)	Navy	Catamaran	1971	N/A	246	3,100	44	25
	Bowditch (T-AGS 21)	Navy	ex-VC-2 Cargo	1945	1958	455	13,000	61	17
	Dutton (T-AGS 22)	Navy	ex-VC-2 Cargo	1944	1958	455	13,000	61	17
	Michelson (T-AGS 23)	Navy	ex-VC-2 Cargo	1944	1958	455	13,000	61	17
	Bent (T-AGS 26)	Navy	AGS 26 Cl.	1965	N/A	285	2,640	48	30
	Kane (T-AGS 27)	Navy	AGS 26 Cl.	1967	N/A	285	2,640	48	30
	Chauvenet (T-AGS 29)	Navy	AGS 29 Cl.	1970	N/A	393	4,200	69	12
	Lee (T-AGS 192)	Navy	AGS 25 Cl.	1968	N/A	208	1,297	29	13
	Harkness (T-AGS 32)	Navy	AGS 29 Cl.	1971	N/A	393	4,200	69	12
	Wilkes (T-AGS 33)	Navy	AGS 26 Cl.	1971	N/A	285	2,600	50	30
	Wyman (T-AGS 34)	Navy	AGS 26 Cl.	1971	N/A	285	2,600	43	28
Department of Commerce (National Oceanic and Atmospheric Administration, National Ocean Survey—formerly the Environmental Sciences Service Administration, Coast and Geodetic Survey)	Oceanographer (OSS 01)	NOAA	OSS 01 Cl. (CL. I)	1966	N/A	303	3,959	57	30
	Discoverer (OSS 02)	NOAA	OSS 01 Cl. (L. I)	1966	N/A	303	3,959	57	30
	Researcher (OSS 03)	NOAA	OSS 03 Cl. (CL. IA)	1970	N/A	278	2,875	54	22
	Surveyor (OSS 32)	NOAA	OSS 32 Cl. (CL. I)	1960	N/A	292	3,150	63	27
	Fairweather (MSS 20)	NOAA	MSS 20 Cl. (CL. II)	1968	N/A	231	1,798	57	19
	Rainier (MSS 21)	NOAA	MSS 20 Cl. (CL. II)	1968	N/A	231	1,798	57	19
	Mt. Mitchell (MSS 22)	NOAA	MSS 20 Cl. (CL. II)	1967	N/A	231	1,798	57	19
	Pierce (CSS 28)	NOAA	CSS 28 Cl. (CL. III)	1963	N/A	164	760	29	7
	Whiting (CSS 29)	NOAA	CSS 28 Cl. (CL. III)	1963	N/A	164	760	29	7
	McArthur (CSS 30)	NOAA	CSS 30 Cl. (CL. III)	1966	N/A	175	995	29	7
	Davidson (CSS 31)	NOAA	CSS 30 Cl. (CL. III)	1967	N/A	175	995	29	7
	Rude (ASV 90)	NOAA	ASV 90 Cl. (CL. IV)	1967	N/A	90	214	10	0
	Heck (ASV 91)	NOAA	ASV 90 Cl. (CL. IV)	1967	N/A	90	214	10	0
	Ferrel (ASV 92)	NOAA	ASV 92 Cl. (CL. IV)	1968	N/A	133	363	17	2
National Science Foundation	Eltanin (T-AGOR 8)	Navy	ex-T-AK	1957	1962	266	3,886	48	38
	Hero	NSF		1968	N/A	125	650	11	6

CURRENT LIST OF MAJOR U.S. OCEANOGRAPHIC, HYDROGRAPHIC, METEOROLOGICAL, AND MAGNETIC FIELD VESSELS (*Continued*)

Operating Agency	Ship Name and Designator	Owner	Ship Type	Year Built	Year Converted	Length (Feet)	Displacement (Tons)	Accommodations	
								Crew	Scientists
Department of Transportation (U.S. Coast Guard)	Acushnet (WAGO 167)	USCG	ex-ARS	1943	1968	213	1,745	58	11
	Evergreen (WAGO 295)	USCG	ex-Buoy Tender	1943	1948	180	1,025	52	8
	Rockaway (WAGO 377)	USCG	ex-AVP	1942	1966	311	2,800	120	18
University of Alaska	Acona	Navy	Trawler	1961	N/A	80	154	6	12
Columbia University (Lamont-Doherty Geological Observ.)	Conrad (AGOR 3)	Navy	AGOR 3 Cl.	1962	N/A	208	1,370	21	22
	Sir Horace Lamb	Navy	ex-YMS	1942	1960	136	320	15	8
	Erline	Navy	ex-Crew Boat	1965	1967	100	120	4	2
Columbia University (Crumb School of Mines)	Manning (T-514)	Navy	ex-Army T-Boat	1953	1955	65	95	3	9
University of Connecticut	T-441	Navy	ex-Army T-Boat	1953	1955	65	99	3	6
Duke University	Eastward	Univ.		1964	N/A	118	474	15	15
Florida University of Technology	T-426	Navy	ex-Army T-Boat	1953	1955	65	95	5	4
Florida State University	Tursiops	Navy	ex-Army T-Boat	1954	1968	65	95	3	5
University of Georgia	Kit Jones	Univ.	Tug	1938	1958	64	90	3	4
University of Hawaii	Teritu	Univ.	ex-Yacht	1953	1964	90	136	9	6
Johns Hopkins University	Ridgely Warfield	Univ.	Catamaran	1967	N/A	106	162	8	10
	Maury	Univ.		1950	N/A	65	40	3	4
University of Miami	Gilliss	Navy	T-AGOR 4	1962	N/A	208	1,570	26	15
	Gerda	Univ.	ex-Trawler	1947	1954	76	213	6	8
	Pillsbury	Univ.	ex-Army FS	1944	1963	176	935	22	14
	Calanus	Univ.		1970	N/A	64	90	2	6
New York University	Kyma	Navy	ex-Army T-Boat	1952	1962	65	102	3	6
Northwestern Michigan College	Allegheny	College	ex-ATA	1944	1969	143	860	40	6

Nova University	Gulfstream	Univ.	ex-Crew Boat	1963	1966	55	29	1	5
Oregon State University	Yaquina Cayuse	Univ.	ex-Army FS	1944	1964	180	865	17	18
		Univ.		1968	N/A	80	173	7	7
University of Rhode Island	Trident	Univ.	ex-Army FS	1944	1962	180	1,021	21	13
Scripps Inst. of Oceanography (Univ. of Calif.)	Melville (AGOR 14)	Navy	AGOR 14 Cl.	1969	N/A	245	2,075	25	25
	Washington (AGOR 10)	Navy	AGOR 3 Cl.	1965	N/A	208	1,362	25	17
	Agassiz	Univ.	ex-Army FS	1944	1961	180	866	18	13
	Alpha Helix	Univ.		1966	N/A	133	512	12	10
	Oconostota	Navy	ex-YTM	1944	1962	102	328	8	6
	Ellen B. Scripps	Univ.	Supply Boat	1965	N/A	95	234	5	8
University of Southern California	Velero IV	Univ.	Tuna Clipper	1948	N/A	110	580	11	9
Stanford University	Proteus	Univ.	ex-Tuna Boat	1946	1969	100	186	6	9
Texas A & M University	Alaminos Orea	Univ.	ex-Army FS	1945	1963	180	850	17	14
		Univ.	ex-USCG Boat	1926	1970	98	205	7	9
University of Washington	Thompson (AGOR 9)	Navy	AGOR 3 Cl.	1965	N/A	208	1,362	23	18
	Hoh	Navy	ex-YT (Tug)	1943	1962	65	91	2	6
	Onar	Navy	ex-Army T-Boat	1954	1963	65	95	2	6
Woods Hole Oceanographic Institution	Knorr (AGOR 15)	Navy	AGOR 14 Cl.	1970	N/A	245	2,075	25	25
	Chain (AGOR 17)	Navy	ex-ARS	1944	1958	213	2,100	31	26
	Atlantis II	WHOI		1963	N/A	210	2,300	30	25
	Gosnold	WHOI	ex-Army F-Boat	1944	1961	99	300	9	8
	Lulu	Navy	ALVIN Support Ship	1964	N/A	96	450	9	15
Cape Fear Tech Institute	Advance II	Private		1944	N/A	185	975	21	7
	Undaunted	Private	ex-tug	1944	N/A	143	200	15	14
University of Hawaii	Kana Keoki	Univ.	supply boat	1971	N/A	156	298	14	15
University of Miami	Columbus Iselin	Univ.	supply boat	1972	N/A	170		12	13
State University of New York Maritime College	Empire State IV	State Univ. of N.Y.	ex-USNS H. Gibbins	1942	N/A	489	15,470	105	462

ABBREVIATIONS AND SYMBOLS

AGOR	oceanographic research ship
AGS	surveying ship
ASV	auxiliary survey vessel (NOS designation)
CSS	coastal survey ship (NOS designation)
MSS	medium survey ship (NOS designation)
NOAA	National Oceanic and Atmospheric Administration
NOS	National Ocean Survey (formerly the Coast and Geodetic Survey)
NSF	National Science Foundation
OSS	ocean survey ship (NOS designation)
T-AGOR	T denotes oceanographic research ship operated by the Department of the Navy
T-AGS	T denotes surveying ship operated by the Department of the Navy
USCG	United States Coast Guard
WAGO	oceanographic ship (USCG designation)

II b

[RUSSIAN TEXT — TEXTE RUSSE]

Москва, 14 октября 1972 г.

Уважаемый господин П. Г. Питерсон,

Ссылаясь на подписанное сегодня Соглашение между Правительством Союза Советских Социалистических Республик и Правительством Соединенных Штатов Америки по некоторым вопросам морского судоходства, я подтверждаю получение Вашего письма от той же даты, а также пояснения и толкования положений содержащихся в нем, представляющих понимание моего Правительства:

Фраза в пункте «а» Статьи 1 «зарегистрированные на территории этой Стороны» будет включать незарегистрированные суда, которые пронумерованы по законам штата или административно-политического подразделения Соединенных Штатов Америки.

Фраза в пункте «а» Статьи 1 «принадлежащее Правительству этой Стороны незарегистрированное судно» относится к некоторым судам, которые принадлежат Правительству Соединенных Штатов и которые являются незарегистрированными судами.

Я прилагаю при этом список основных существующих советских гидрографических, метеорологических судов и судов для исследования

[TRANSLATION¹ — TRADUCTION²]

Moscow, October 14, 1972

Dear Mr. P. G. Peterson:

With reference to the Agreement between the Government of the Union of Soviet Socialist Republics and the Government of the United States of America Concerning Certain Maritime Matters, signed today, I acknowledge receipt of your letter of today's date and confirm the following clarifications and interpretations of statements contained therein as representing the understanding by my Government.

[See note I b]

I am herewith appending a current list of major Soviet hydrographic, meteorological and magnetic field research vessels referred to in paragraph *a* (iii) of article 1 of the Agreement mentioned above.

Respectfully,

[Signed]

T. B. GUZHENKO
Minister of the Merchant Marine of the USSR

Enclosure:

Current list of major Soviet oceanographic
hydrographic, meteorological Merchant Marine
training vessels, and magnetic field research vessels.

Honorable P. G. Peterson
Secretary of Commerce of the USA
Washington, D.C.

¹ Translation supplied by the Government of the United States of America.

² Traduction fournie par le Gouvernement des Etats-Unis d'Amérique.

SCIENTIFIC RESEARCH AND TRAINING VESSELS UNDER THE USSR FLAG

No.	Operator	Name of ship	Owner	Type of ship	Year of construction	Length of ship in meters	Water displacement*	Crew size		
								Organic crew	Probationers (trainees)	Instructors/Scientists
1	2	3	4	5	6	7	8	9	10	11
1	Academy of Sciences/AS/USSR	"Akademik Kurchatov"	Oceanology Institute of The Academy of Sciences, USSR	Scientific Research	1966	124	6,828	84	—	84
2	"	"Dmitry Mendelyev"	"	"	1968	124	6,828	83	—	76
3	"	"Vityaz"	"	"	1939	109.4	5,710	72	—	63
4	"	"Akademik Vernadsky"	Marine Hydro-physical Institute of Ukrainian SSR	"	1968	124	6,828	82	—	77
5	"	"Mikhail Lomonosov"	"	"	1957	102	5,960	71	—	65
6	"	"Pegas"	Sakhalin Combined Scientific Research Institute of the Academy of Sciences, USSR	"	1963	79.8	2,435.7	39	—	41
7	Black Sea Steamship Line	"Gorizont"	Odessa Higher Marine Engineering Institute	Dry Cargo	1961	105	6,217	52	154	5
8	"	"	"	Dry Cargo	1970	122	10,005	55	170	15

* For training ships, the displacement is included in the weight.

9	"	"Professor Anichkov"	"	"	1971	122	10,005	55	170	15
10	"	"Professor Minyayev"	"	"	1972	122	10,005	55	156	15
11	"	"Tovarishch"	Khersonsk Navigation School	"Sailing-Motorized Dry Cargo	1933	68.5	1,618	41	134	4
12	Baltic Steamship Line	"Zenit"	Leningrad Higher Marine Engineering Institute		1961	105	6,217	52	154	6
13	"	"Professor Shchegolev"	"	"	1970	122	10,002	55	170	15
14	"	"Professor Ribaltovsky"	"	"	1971	122	10,005	55	170	15
15	Far Eastern Steamship Line	"Meridian"	Far East Higher Marine Engineering Institute	"	1962	105	6,217	52	154	8
16	"	"Professor Yushchenko"	"	"	1970	122	10,005	55	170	15
17	Main Administration of the Hydrometeorological Service USSR	"Professor Zubov"	Arctic-Antarctic Scientific Research Institute	Scientific Research	1967	124.2	6,935	86	—	80
18	"	"Professor Vize"	"	"	1966	124.2	6,935	86	—	80
19	"	"Akademik Korolyev"	Far East Scientific Research Hydrometeorological Institute	Scientific Research	1967	124.2	6,935	86	—	80
20	"	"Akademik Shirshov"	"	"	1967	124.2	6,935	86	—	80
21	"	"Volna"	"	"	1968	96.10	4,146	59	—	51
22	"	"Priliv"	"	"	1969	96.85	4,069	59	—	51

SCIENTIFIC RESEARCH AND TRAINING VESSELS UNDER THE USSR FLAG (Continued)

No.	Operator	Name of ship	Owner	Type of ship	Year of construction	Length of ship in meters	Water displacement*	Crew size		
								Organic crew	Probationers (trainees)	Instructors/Scientists
1	2	3	4	5	6	7	8	9	10	11
23	"	"Priboy"	"	"		96.35	4,162	59	—	51
24	"	"Okean"	"	"	1969	96.92	4,162	59	—	51
25	"	"A. I. Voyeykov"	"	"	1960	84.65	3,503	56	—	52
26	"	"Yu. M. Shokal'sky"	"	"	1960	85.15	3,591	56	—	52
27	"	"Passat"	Administration of Hydro-meteorological Service, Ukrainian SSR	"	1968	97.10	4,146	59	—	51
28	"	"Musson"	"	"	1968	97.10	4,146	59	—	51
29	"	"Poryv"	"	"	1971	104.69	4,469	59	—	51
30	"	"Shkval"***	"	"	1971	104.69	4,469	59	—	51
31	"	"Vikhr"***	"	"	1971	104.69	4,469	59	—	51
32	"	"Okeanograph"	Administration of Hydro-meteorological Service, Lithuanian SSR	"	1956	35.85	426	21	—	12
33	Main Administration of the Hydrometeorological Service, USSR	"Polyarnik"	Murmansk Administration of Hydro-meteorological Service	Scientific Research	1952	38.5	454.2	21	—	12
34	"	"Aisberg"	"	"	1956	39.15	432.75	21	—	12

* For training ships, the displacement is included in the weight.

** Now known as "Georgiy Ushakov."

*** Now known as "Ernst Krenkel."

[TRANSLATION¹ — TRADUCTION²]

Moscow, October 14, 1972

Dear Mr. P. G. Peterson:

In connection with the signing today of the Agreement between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics concerning certain maritime matters, I have the honor to confirm the understandings reached between us with regard to the following:

[See note II c]

Very truly yours,

[Signed]

T. B. GUZHENKO
Minister of the Merchant Marine
of the USSR

Honorable Peter G. Peterson
Secretary of Commerce
United States of America
Washington, D.C.

II c

Washington, October 14, 1972

Dear Mr. Minister:

In connection with the signing today of the Agreement between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics concerning certain maritime matters, I have the honor to confirm the understandings set forth in your letter of even date that:

1. Under sub-paragraph *a* of paragraph 3 of annex III of that Agreement, the term "mutually acceptable rate" means a rate equal to the average of the market charter rates for the three calendar years preceding the current accounting period for the relevant route and category of cargo. It is understood that such average market charter rate will apply irrespective of the current conditions of the freight market and may be higher or lower than the current market level. Market charter rates will be determined from published sources acceptable to both Parties. Where such published market charter rates do not exist for a relevant route or category of cargo, agreed adjustments will be made to published market charter rates for the most comparable route or category of cargo.

2. The provisions of the foregoing paragraph shall not apply to rates for shipments of raw or processed agricultural commodities. Under sub-paragraph *a* of paragraph 3 of annex III of that Agreement the term "mutually acceptable rate" as applied to shipments of raw and processed agricultural commodities means:

¹ Translation supplied by the Government of the United States of America.

² Traduction fournie par le Gouvernement des Etats-Unis d'Amérique.

- a. With respect to fixtures made prior to July 1, 1973 the higher of: (i) a rate for the cargo and route involved computed upon the formula of the average of market charter rates set forth in paragraph 1 of this letter for the years 1969, 1970 and 1971; or (ii) the current market charter rate for such cargo and route plus ten percent (10%) of such rate. Current market charter rates referred to above will be determined at the time of each fixture from current sources acceptable to both Parties. Where such market charter rates do not exist for a relevant route or category of cargo, agreed adjustments will be made to current market charter rates for the most comparable route and category of cargo.
- b. With respect to fixtures made after June 30, 1973, rates based upon such amounts or formulas as the Parties may hereafter agree upon, and for that purpose the United States Maritime Administration and the Ministry of Merchant Marine of the Soviet Union shall convene prior to June 30, 1973 to discuss and reach agreement upon such rates.

Very truly yours,

PETER G PETERSON
Secretary of Commerce
of the United States of America

His Excellency Timofey B. Guzhenko
Minister of Merchant Marine
of the Union of Soviet Socialist Republics

I d

Washington, October 14, 1972

Dear Mr. Minister:

In connection with the Agreement signed today between the Government of the United States and the Government of the Union of Soviet Socialist Republics concerning certain maritime matters, we have agreed that we would exchange information describing our port procedures and other matters. Accordingly, enclosed is a Memorandum on U.S. Port Procedures and Other Matters.

This letter will also acknowledge receipt from you of your Memorandum on U.S.S.R. Port Procedures and Other Matters together with covering letter signed by you.

Very truly yours,

[Signed]
PETER G. PETERSON
Secretary of Commerce

Enclosure:

Memorandum on U.S. Port
Procedures and Other Matters.

His Excellency Timofey B. Guzhenko
Minister of Merchant Marine
of the Union of Soviet Socialist Republics

MEMORANDUM ON U.S. PORT PROCEDURES AND OTHER MATTERS

I. *Introduction*

Access to U.S. ports by any foreign vessel is subject to compliance with applicable laws and regulations of the Federal Government and of state and local authorities in the areas wherein they have jurisdiction. The U.S. port procedures and applicable federal laws and regulations and certain other matters outlined below apply generally to foreign vessels. Specific mention is made of those limited instances where Soviet flag vessels might be treated differently from other foreign vessels.

II. *Navigational Aids**Charts and Publications Generally*

Charts and publications necessary for proper navigation of U.S. ports and waters and available at any time at current prices are:

Tide Tables, Tidal Current Tables, Tidal Current Charts, *U.S. Coast Pilot* (these are sailing directions for U.S. waters), and Nautical Charts from National Ocean Survey, which are generally considered necessary for safe transit of United States coastal and port areas.

The *U.S. Coast Pilot*, published by the National Ocean Survey in eight volumes, includes navigational regulations, and information concerning outstanding landmarks, channel and anchorage peculiarities, dangers, weather, ice, freshets, routes, pilotage and port facilities. A list of other United States Government publications of navigational value is included in the appendix to the *U.S. Coast Pilot*.

A. *Supplemental Information: Notices to Mariners; Weekly Notices; Local Notices**Local Notices*

Corrections to charts and publications and important navigational safety information is contained in our Notices to Mariners. Weekly Notices to Mariners published by the U.S. Naval Oceanographic Office pertain to both foreign and domestic waters. Local Notices to Mariners published by each Coast Guard District Commander pertain primarily to domestic waters and also contain pertinent maritime legal public notices.

B. *Safety Information*

Marine safety information is broadcast over Coast Guard radio stations at scheduled intervals on specified frequencies. Broadcast schedules are published in U.S. Naval Oceanographic Office HO Publication No. 117.

C. *Radio and Electronic Aids*

Radio Aids to Navigation (Radio Beacons and Radio Direction Finders) are referenced in the *Light List* published by the U.S. Coast Guard and expanded in HO Publication No. 117B published by the U.S. Naval Oceanographic Office.

Light Lists describe aids to navigation including a list of lights, fog signals, buoys, daybeacons, and loran stations.

Special charts for electronic navigation, such as LORAN and CONSOLAN, are published by the National Ocean Survey.

Weather, facsimile (FAX), and ice broadcast schedules are published in *Radio Weather Aids to Navigation*, HO Publication No. 118.

D. *Pilotage and Other Navigational Aids*

Pilotage is usually compulsory for vessels in U.S. ports and waters. Pilotage requirements are uniform for all foreign flags but come under the purview of the pilotage laws of the local jurisdiction in which the port is located. Pilotage requirements may therefore vary from port to port.

Other normal navigational aids are available locally for any vessel entering a U.S. port.

III. *Entry to U.S. Ports*

A. *Coast Guard*

The general Coast Guard regulations for foreign vessels entering U.S. ports are contained in the *Code of Federal Regulations*, 33 CFR, part 124. These regulations require such vessels to give at least 24 hours advance notice of arrival to the Coast Guard Captain of the Port. This requirement is independent of the advance notice requirement contained in the Agreement referred to above and the advance permission requirement for entry into all ports not on the list of ports open to calls upon notice attached to such Agreement, but can be accomplished in the same time period. If the vessel is carrying explosives or certain specified dangerous cargo, this information must also be contained in the report. The regulations further require that the vessel give notice to the Captain of the Port as early as possible of any fire or other abnormal condition which could jeopardize the vessel's safety or the safety of other vessels or facilities in the port.

The statement delivered to the Soviet Government by Mr. T. R. Buchanan on August 27, 1971, will continue to govern access of all Soviet vessels to United States ports not on the list of ports open to calls upon notice. Any such vessel must submit an itinerary complete with ports of call and specific dates to the Department of State, Washington, D.C. via either the U.S. Embassy in Moscow or the Soviet Embassy in Washington. In addition, each Soviet vessel, except state-owned vessels, not in commercial service and except vessels involved in innocent passage, entering U.S. territorial waters will be boarded and searched by personnel of the U.S. Coast Guard.

Under the Agreement between the Government of the United States and the Government of the Union of Soviet Socialist Republics concerning certain maritime matters, notification of a visit to a U.S. port on the list of ports open to calls upon notice must be received at least four days in advance of port entry. Notice of visits of commercial maritime vessels shall be forwarded to U.S. Coast Guard Headquarters, Washington, D.C. from a shipping agent (either (1) via Telex using address, "Commandant, U.S. Coast Guard, 400 7th Street, S. W., Washington, D.C., Telex number: 89-2427 or (2) by TWX using address, "Coast Guard Headquarters, 6th & D Streets, S. W., Washington, D.C., TWX number: 202-965-0660," or (3) via Western Union using either of the above addresses). Notice of visits of research and merchant marine training vessels shall be forwarded to the United States Department of State, Washington, D.C. through diplomatic channels.

B. *Customs*

All vessels arriving from foreign ports must report their arrival to Customs officers within 24 hours and make formal entry of the vessel at the custom house within 48 hours. Vessels are boarded by customs officers on arrival and may be, and sometimes are, searched (especially in connection with the Federal Government's present intensified narcotics enforcement program). For formal entry, a complete manifest of the cargo and all other items must be presented, vessel's register must be deposited, tonnage taxes must be paid, and permission must be obtained to load or unload cargo and passengers. In order to expedite lading or unlading, preliminary entry may be made with the boarding officers.

C. *Health and Agriculture*

The U.S. Public Health Service administers foreign and domestic quarantine laws and conducts medical examinations of aliens. A vessel arriving at a U.S. port from a non-quarantine exempt area should undergo quarantine inspection (generally dockside) to determine the vessel's itinerary, deratting status (certificate current), whether there is illness aboard, whether crew members have been vaccinated for smallpox, whether personnel have been to any smallpox-infected countries, and whether the vessel has been to a plague-infected country. The inspection is to be held prior to disembarkation of any person, except with the permission of the quarantine officers, or the conduct of any business, unless exempted by section 71.46 or 71.47 of Foreign Quarantine Regulations and supplemental provisions of the U.S. Public Health Service. A radio clearance may be obtained in lieu of the quarantine inspection if the above information is transmitted by radio to the Public Health Service representative via the vessel's agent.

Vessels arriving at a U.S. port shall be subject to sanitary inspection to ascertain whether there exist rodent, insect, or other vermin infestation, contaminated food or water, or other unsanitary conditions requiring measures for the prevention of the introduction, transmission, or spread of communicable disease.

The U.S. Department of Agriculture administers quarantines to restrict the importation of plants, plant products, soil, injurious insects, and associated items that may introduce or spread plant pests or diseases new to or not widely distributed within the United States. Inspectors examine imports at ports of entry as well as the vessel, its stores, and crew or passenger baggage. A variance from the shipboard inspection requirement may be granted if the vessel's agent executes a "memorandum of understanding" agreeing to comply with certain requirements.

D. *Research Vessels*

U.S. calls of Soviet research vessels will be handled in the same manner as calls by other vessels under the Agreement referred to above. The procedures for entering U.S. ports are generally the same as for any other vessel.

IV. *Documents and Forms*

A. *Ships Documents*

The International Convention for the Safety of Life at Sea, 1960,¹ part B, describes those documents, surveys and certifications which will normally be required and accepted by the signatory nations. In addition to the SOLAS Convention requirements, a foreign vessel calling at a U.S. port will normally require a United States Coast Guard certification to safeguard life and property in U.S. ports if the vessel is: (i) carrying liquid bulk cargo involving potential unusual operating risks; or (ii) embarking passengers at a U.S. port. Such certification requires a submission of detailed vessel plans for technical review and an on-site inspection of the vessel by the United States Coast Guard to insure compliance with the submitted plans. USSR measurement certificates are acceptable to U.S. authorities as valid measurements of tonnage.

B. *Certificates of Financial Responsibility*

The Federal Water Pollution Control Act, as amended by the "Water Quality Improvement Act of 1970," requires evidence of financial responsibility regarding reimbursement for pollution damage caused by a vessel. The pertinent section of this Act states:

¹ United Nations, *Treaty Series*, vol. 536, p. 27.

“Any vessel over three hundred gross tons, including any barge of equivalent size, using any port or place in the United States or the navigable waters of the United States for any purpose shall establish and maintain under regulations to be prescribed from time to time by the President, evidence of financial responsibility of \$100 per gross ton, or \$14,000,000 whichever is the lesser, to meet the liability to the United States (to) which such vessel could be subjected under this section. In a case where an owner or operator owns, operates, or charters more than one such vessel, financial responsibility need only be established to meet the maximum liability to which the largest of such vessels could be subjected. Financial responsibility may be established by any of, or a combination of, the following methods acceptable to the President: (a) evidence of insurance, (b) surety bonds, (c) qualification as a selfinsurer, or (d) other evidence of financial responsibility. Any bond filed shall be issued by a bonding company authorized to do business in the United States.”

The President has delegated to the Federal Maritime Commission (FMC) the responsibility for establishing and maintaining the regulations necessary to carry out these financial responsibility requirements. FMC General Order 27 (with amendments), which applies to vessels of all flags, states that the United States Government will consider a particular ship operating or owning company financially responsible only if that company can provide evidence of financial responsibility by one of the methods listed above. Any insurance company, regardless of nationality, which has a good reputation and sufficient resources to back up a reasonable claim is acceptable. Almost all Soviet vessels have been insured in this regard with Ingosstrakh in the USSR. There is a fee for the final certification by the FMC.

Title 46 U.S.C. chapter 14 (Public Law 89-777) requires the owners, operators or charterers of passenger vessels having berth or stateroom accommodations for 50 or more passengers and which embark passengers at United States ports to establish their financial responsibility to meet their liability for death or injury to passengers and other persons and to refund fares in the event that voyages or cruises are cancelled. These requirements extend uniformly to all such vessels regardless of flag. The Federal Maritime Commission sets forth the rules and regulations to comply with Public Law 89-777. Financial responsibility can be established with the Commission through insurance, surety bond, guaranty, escrow account or as a self-insurer. In any event, under FMC General Order 20, applicants, insurers, guarantors, sureties, escrow agents and self-insurers must have assets physically located in the United States to meet their commitments.

To qualify for a Performance Certificate, which is issued by the FMC as evidence of financial responsibility for the refunding of fares, the maximum amount required is \$5,000,000. Companies operating smaller vessels or a small number of vessels may arrange with the FMC for a smaller bond depending upon the amount of deposits and fares collected, or expected to be collected, for planned voyages and cruises.

The FMC also issues a Casualty Certificate as evidence of financial responsibility to meet liability for death or injury. The amount required is computed from the schedule set forth in Public Law 89-777.

- (1) \$20,000 for each passenger accommodation up to and including 500; plus
- (2) \$15,000 for each additional passenger accommodation between 501 and 1,000; plus
- (3) \$10,000 for each additional passenger accommodation between 1,001 and 1,500; plus
- (4) \$5,000 for each passenger accommodation in excess of 1,500.

When more than one vessel is operated by the same owner or operator, the amount of evidence of financial responsibility required for a Casualty Certificate is based upon the number of passenger accommodations of the vessel having the largest number of passenger accommodations.

D. *Trade Statistics*

Within 30 days of entry into the first U.S. port and after clearing the last U.S. port, all vessels, engaged in the foreign commerce of the U.S. must file vessel utilization and performance reports in accordance with Maritime Administration Regulations. These reports are of a strictly commercial nature and are compiled by the U.S. Government in order to maintain gross statistics related to the volume and nature of our exports and imports.

V. *In-Port Treatment*

A. *Servicing of Vessels*

Foreign vessels visiting U.S. ports can normally obtain bunkers, food, medical goods, other consumable supplies, and spare and replacement parts necessary for maintaining and operating a vessel. Vessels that have called at a port under Cuban control since January 1, 1963, or that have such a port on their current voyage itineraries (see 15 C.F.R. §371.9 (b) (2)) and vessels which have called at a port under the control of North Vietnam or North Korea within 180 days or that will call at or carry cargo destined to such a port within 120 days (see 15 C.F.R. §371.9 (b) (1)) cannot be bunkered at U.S. ports. Soviet vessels which have called in Cuba since January 1, 1963, or which have called in North Vietnam since January 25, 1966, may call at U.S. ports and load or unload normal commercial cargoes. Validated export licenses are required for the sale of spare and replacement parts to visiting vessels under the flag of the USSR and various Eastern European countries and for the servicing of equipment of U.S. origin aboard these vessels. As licensing procedures are sometimes time-consuming, an arrangement with regard to spare parts for Soviet vessels will be provided similar to the one which now applies to Aeroflot in the United States. That is, either Soviet spare parts could be brought into the United States for later withdrawal from a customs bonded warehouse, or there could be a relaxation of rules regarding the purchase of certain spare parts from commercial suppliers in the U.S. for use in Soviet vessels. Such arrangements and relaxation of rules, of course, require reciprocity.

B. *Fees and Taxes*

The payment of fees and taxes is a complex problem under United States laws, but it is a problem encountered by all foreign shipowners and handled by them with little practical difficulty.

1. *Tonnage Taxes*

Tonnage taxes are collected by the U.S. Bureau of Customs. The tonnage tax payments are assessed upon the net tonnage as stated in the vessel's document or as stated in an appendix attached to the vessel's document showing a net tonnage ascertained under rules of a foreign country which are substantially in accord with the rules of the United States. If the net tonnage stated in the vessel's document is manifestly incorrect, taxes may be assessed on the tonnage reported for the vessel by any recognized classification society, or may be leveled on the basis of an estimated tonnage pending admeasurement.

Vessels exempt from tonnage tax include vessels arriving solely for bunkers or stores and departing within 24 hours as well as vessels arriving in distress or not engaged in trade.

2. *Other Port Charges*

Other port charges, including charges for services such as wharfage, refuse disposal, fresh water, line handling and the like, are made by the owner of the pier to which the

ship moors. This could be a private firm, a municipal or state government, or a port authority. These vary from port to port, and within each port depending on where the vessel is moored. Pilot fees and the cost of tugs vary according to schedules available at each port. In all cases, these various duties and charges are uniformly applied to all vessels regardless of flag.

3. *Taxes on Operating Revenues*

Many political subdivisions in the United States impose taxes upon profits earned within their geographic jurisdictions. Under general principles of United States constitutional law, however, these subdivisions may not levy taxes on profits which unduly burden international trade. The present practice of the political subdivisions is not to levy income taxes on vessels or shipping companies, as long as their activities in U.S. ports are limited to the loading and discharging of cargoes moving in international commerce.

VI. *Visa and Immigration Requirements*

In order that a crew member of any foreign country may be allowed shore leave in the United States, he must have a passport or an acceptable document in lieu thereof, and an appropriate visa (an individual crew member visa or be included on a visaed crewlist) issued by a United States consular officer. No exist visas are required in order to leave the U.S. A Soviet crew member's passport will be considered adequate personal identification by the U.S. Government.

In order for a Soviet crew member to obtain a visa for entry into the U.S., a crewlist on Form I-418 showing the names of all crew members and certain personal data, including passport numbers, must be submitted to a U.S. Consulate 7 days before the arrival of the vessel in a U.S. port. The master or agent of every vessel arriving in the United States from any foreign place or from an outlying possession of the United States is required to present to the immigration officer at the port of first arrival a manifest of all crew members on board on form I-418 with an appropriate visa.

Immigration and Naturalization Service regulations require that every alien crew member applying for landing privileges in the United States must make his application in person before an immigration officer and present his passport or acceptable document in lieu thereof. A crew member who is properly manifested on a visaed form I-418 and is found admissible by the immigration officer is issued an authorization on form I-95 valid for a period not exceeding 29 days from the date of issuance to land temporarily in the United States for shore leave during the period of time the vessel is in the port of arrival or in other ports in the United States to which it proceeds directly without touching at a foreign port or place. Soviet crew members who are admitted are limited to the area of the port city in which their vessel is located.

Once granted shore leave, any foreign crew member must surrender his passport for safekeeping to the master of the vessel. The crew member should keep with him the form I-95 which has been given to him by the immigration officer and which is evidence to show the date, place and type of admission.

In order that any foreign crew member may meet a vessel in a U.S. port, he must be issued a transit visa by the U.S. Government indicating both his port of arrival and his destination in the U.S. With regard to requests for any type of visa or application for entry for a citizen of any nationality, the United States Government maintains the right to judge an individual undesirable for entry into the U.S.

The master or agent of every vessel carrying passengers arriving in the United States from a foreign place or from an outlying possession of the United States must present a manifest of all alien passengers on board to the immigration officer at the first port of arrival. The manifest must be submitted on a form I-418 with a completely executed form I-94 in duplicate prepared for and presented by each alien passenger. All alien pas-

sengers must be documented with valid passports and visas issued by a United States consul abroad.

Any vessel departing a United States port must present to the Immigration and Naturalization Service a manifest on form I-418 covering the crew and any passengers aboard. All forms I-95 shall be surrendered and the crew shall be mustered if required by the immigration officer in charge. Also to be surrendered are forms I-94 issued to each alien passenger on arrival or prepared for each alien passenger who does not have one issued at time of entry.

VII. *Jurisdiction Over Legal Causes*

Under the prevailing U.S. view, a local political entity will not exercise criminal jurisdiction over acts committed on a vessel entering one of its ports unless the consequences of the crime extend to such entity or the crime is such that it disturbs the "peace of the port." In such instances, the local political entity consents to the exercise of jurisdiction by the foreign state to detain the person charged with the crime on board the vessel. Traditionally, crimes disturbing the "peace of the port" have been those of such gravity, such as murder, that the local political entity felt compelled to act. Local, rather than federal, courts have jurisdiction over most criminal matters and the extent to which they adhere to the prevailing view may vary.

Under U.S. law, a foreign seaman may generally bring a claim for his wages against his employer in any court having jurisdiction.

The United States doctrine of sovereign immunity was explained in detail in the Aide-Memoire presented by the United States Government to the Embassy of the Soviet Union on July 16, 1971. Appointment of an agent for service of process in those jurisdictions wherein lawsuits appear most likely should eliminate the necessity of attachment of vessels in *quasi in rem* proceedings for purposes of obtaining jurisdiction. Attachment in *in rem* proceedings might be avoided, or the period of arrest connected therewith minimized, through appointment of an agent to post the requisite security in individual cases through general bonding procedures available under supplemental rule E(5) (b) of the Federal Rules of Civil Procedure or through purchase of appropriate protection and indemnity insurance.

VIII. *Departure from U.S. Ports*

A vessel departing a U.S. port with cargo or passengers for a foreign port or ports must clear for such port or ports by presenting to the Bureau of Customs a manifest and export declarations for all cargo laden at that port and by complying with the other requirements set forth in title 19 CFR 4.61. While the completed outward manifest and associated export declarations may otherwise be filed up to the fourth business day after clearance, a vessel may not be cleared for any port in certain countries until the complete manifest and required export declarations have been filed. These countries are specified in Treasury Decisions summarized in 19 CFR 4.75.

IX. *Pollution Control*

The Federal Water Pollution Control Act, as amended, prohibits discharging of oil into United States navigable waters in amounts which cause a film or sheen upon or discoloration of the surface of the water or adjoining shorelines or causes a sludge or emulsion to be deposited beneath the surface of the water or upon adjoining shorelines. For each offense, not more than \$10,000 can be assessed for knowingly discharging harmful quantities of oil as defined above. The Federal Water Pollution Control Act, as amended, also requires any person in charge of a vessel which makes such a discharge to immediately notify the Coast Guard. Failure to make immediate notification can result in a fine of not more than \$10,000 or imprisonment for not more than one year or both.

Pollution control generally is a subject of great interest in the United States Congress and additional legislation in this area may be expected. Additional international agreements in this field may also be expected which, when ratified, will become part of United States law.

The Refuse Act, 1899, prohibits the throwing, discharging, or depositing of any refuse matter of any kind or description whatever from vessels into any navigable water of the United States or into any tributary of any navigable water or on any bank of these waters. Refuse includes garbage, oil or cargo, whether or not it has commercial value. Maximum penalty for violation of this Act is a fine of \$2,500 and a period of imprisonment of one year. The federal regulations implementing the Refuse Act of 1899 exempt vessel sewage. However, local or state requirements may, in some areas, require sewage treatment or discharge ashore. At this time the areas covered by such requirements are few. This matter should be determined for each port on a planned itinerary by the vessel's agent.

X. *Vessels in Distress*

Assistance to distressed vessels, regardless of nationality, is provided by the United States Coast Guard and is well known to the worldwide maritime community. This assistance does not, however, routinely include salvage. Salvage is conducted as private enterprise by a number of United States salvage firms.

Should a marine casualty result in shipwreck in United States territorial waters, several actions must be taken by the owner of the vessel.

(a) Immediately mark the location of the wreck to conform to the lateral system of buoyage. Such marking must be maintained until the obstruction is removed or the right of the owner to abandon is legally established and has been exercised.

(b) Promptly report the fact and intention to mark to the nearest United States Coast Guard Marine Inspection Office and the District Engineer, Corps of Engineers, U.S. Army.

(c) Should abandonment be decided upon, the intention to abandon should be addressed to the District Engineer, Corps of Engineers, U.S. Army, within whose district the vessel is located. A request for abandonment is not automatically granted, and until it is accepted, the owner remains responsible for all civil liability.

(d) Additionally, marine casualties in general are subject to the following:

- (1) Notice of marine casualty. The owner, agent, master, or person in charge of a vessel involved in a marine casualty shall give notice as soon as possible to the nearest Marine Inspection Office of the Coast Guard whenever the casualty results in any of the following:
 - (i) Actual physical damage to property in excess of \$1,500.00.
 - (ii) Material damage affecting the seaworthiness or efficiency of a vessel.
 - (iii) Stranding or grounding.
 - (iv) Loss of life.
 - (v) Injury causing any persons to remain incapacitated for a period in excess of 72 hours; except injury to harbor workers not resulting in death and not resulting from vessel casualty or vessel equipment casualty.
- (2) Substance of marine casualty notice. The notice required shall show the name and official number of the vessel involved, the owner or agent thereof, and insofar as is practicable, the nature and probable occasion of the casualty, the locality in which it occurred, the nature and extent of injury to personnel and the damage to property.

- (3) Marine casualty or accident. The term "marine casualty or accident" shall mean any casualty or accident involving any vessel if such casualty or accident occurs upon the navigable waters of the United States, its territories or possessions, or any casualty or accident wherever such casualty or accident may occur involving any United States vessel which is not a public vessel.

It should be noted that, as a delegate state to the International Association of Light-house Authorities (IALA), the United States is participating in the drafting of international recommendations concerning the marking of shipwrecks. The landing ashore in the U.S. of cargoes salvaged from a wrecked vessel is subject to customs entry. Application should be made to local officials of the United States Bureau of Customs for details.

XI. *Domestic Commerce*

Foreign vessels must obtain permits to proceed between United States ports. Foreign vessels may not engage in any of the following activities while in the United States.

1. Domestic trade (cabotage), meaning the transportation between points in the United States of merchandise or passengers loaded at one point in the U.S. and unloaded in another.
2. Towing any vessel between points in the United States except a vessel of foreign registry or a vessel in distress.
3. Salvage operations, unless the Commissioner of Customs is satisfied that no suitable United States vessel is available.
4. Dredging (if foreign-built).

One exception to the exclusion of foreign vessels from the United States domestic trade is that vessels of countries which extend reciprocal privileges to vessels of the United States may, under certain conditions, transport between ports in the United States empty cargo containers, equipment for such containers, empty barges designed to be carried aboard an ocean-going vessel, empty instruments of international traffic, and stevedoring equipment and material. At this time the Soviet Union and the United States have not made arrangements to extend such privileges to the other nation's vessels.

II d

[RUSSIAN TEXT — TEXTE RUSSE]

Москва, 14 октября 1972 г.

Уважаемый господин П. Г. Питерсон,

В связи с подписанием сегодня Соглашения между Правительством Союза Советских Социалистических Республик и Правительством Соединенных Штатов Америки по некоторым вопросам морского судоходства, мы договорились, что обменяемся информацией, излагающей процедуру захода и пребывания иностранных судов в портах СССР. Соответственно, к настоящему письму прилагается Памятная записка о процедуре захода и пребывания иностранных судов в портах СССР.

XII. Признание судовых документов

По Международной Конвенции об охране человеческой жизни на море 1960 г. часть В, предусмотрены документы, свидетельства и сертификаты, которые обычно требуются и признаются государствами, подписавшими Конвенцию. Мерительное свидетельство США признается портовыми властями СССР.

Иностранное судно может быть подвергнуто техническому освидетельствованию, если аналогичному освидетельствованию в портах этого государства подвергаются суда под флагом СССР.

XIII. Расследование аварий

Расследование аварий осуществляется капитанами портов СССР. Такое расследование в отношении иностранного судна является обязательным, если аварийный случай произошел в пределах территориальных и портовых вод СССР и затронул интересы СССР или его граждан. Такое расследование производится также, если аварийный случай произошел за пределами территориальных или портовых вод СССР и при этом последовала смерть или был причинен вред здоровью граждан СССР или был причинен ущерб имуществу СССР, его граждан или организаций.

Прочие аварийные случаи расследуются, если об этом последует просьба капитана судна, судовладельцев или консула страны флага судна.

[TRANSLATION¹ — TRADUCTION²]

Moscow, October 14, 1972

Dear Mr. P. G. Peterson:

In connection with the Agreement between the Government of the Union of Soviet Socialist Republics and the Government of the United States of America concerning certain maritime matters, signed today, we have agreed that we would exchange information describing procedures and other matters. Accordingly, enclosed is a Memorandum of U.S.S.R. Port Procedures and Other Matters.

This letter will also acknowledge receipt from you of your Memorandum on U.S. Port Procedures and Other Matters together with covering letter signed by you.

Respectfully,

[Signed]

T. B. GUZHENKO
Minister of the Merchant Marine
of the USSR

Enclosure.

Honorable Peter G. Peterson
Secretary of Commerce of the USA
Washington, D.C.

¹ Translation supplied by the Government of the United States of America.

² Traduction fournie par le Gouvernement des Etats-Unis d'Amérique.

MEMORANDUM ON USSR PORT PROCEDURES AND OTHER MATTERS

Introduction

Access to USSR ports by any foreign vessel is subject to compliance with applicable laws and regulations of the Government of the USSR, the governments of the respective Soviet Republics and local municipal and port authorities in the areas wherein they have their jurisdiction. The USSR port procedures and applicable laws and regulations and certain other matters outlined below apply generally to all foreign vessels. Specific mention is made of those limited instances where U.S. flag vessels would be treated differently from other foreign vessels.

I. Navigational aids

Charts and other publications necessary for navigation of USSR ports and waters are listed in the *"Catalog of Charts and Publications"* (Department of Hydrography, USSR Ministry of Defense), and are available at current prices through the Inflat port agency for the port where entry is to be made.

Notifications to mariners are issued each week. Marine safety information is broadcast at scheduled intervals on specific frequencies as provided for by international regulations.

II. Entry to USSR ports

In accordance with the exchange of notes mentioned above, notification of a visit by a vessel under the flag of the U.S. to a USSR port on the list of ports open to calls upon notice must be received at least four days in advance of port entry. Notice of visits of commercial maritime vessels shall be forwarded to the USSR Ministry of Merchant Marine, 1/4 Zhdanov Street, Moscow, from the relevant "Inflat" shipping agent. Notice of visits of research and merchant marine training vessels shall be forwarded to the USSR Ministry of Foreign Affairs, Moscow, through diplomatic channels.

For commercial purposes and notwithstanding the information required to be given under a contract of affreightment, it is advisable that all foreign merchant vessels communicate to the relevant "Inflat" shipping agents reasonably in advance the purpose of arrival, the flag, registered net tonnage, length of the vessel, cargo in each hold, requests for supplies and other services, and in addition the updated expected time of arrival 48, 24 and 4 hours in advance of arrival.

Foreign vessels in port can normally obtain bunkers, food, medical goods, other consumable supplies and spare and replacement parts necessary for maintaining and operating a vessel. It is recommended that bunker requests be made through the "Inflat" agency not less than 10 days in advance of proposed bunkering.

III. Pilotage

Pilotage is compulsory for foreign-flag vessels in USSR ports and waters. Pilotage requirements are uniform for all foreign flags but come under the purview of the pilotage laws of the local jurisdiction in which the port is located. Pilotage requirements may therefore vary from port to port.

In the majority of ports, entry and departure of vessels take place around the clock. In some ports pilotage is carried out with the aid of tugboats. In others shore radar and radio direction-finding stations are used.

Other normal navigational aids are available locally for any vessel entering a Soviet port.

IV. *Entry to USSR ports*

Foreign vessels which have arrived in port are not allowed to have contact with shore before receiving permission for this from the port authorities. On arrival in port, a commission composed of representatives of the following authorities boards the vessel:

- Border Control;
- Customs;
- Health;
- Agriculture.

The captain fills out separate declarations for each of the above authorities, presents the vessel's documents, passports, and muster roll to the commission, and delivers:

- A crew list (six copies);
- A passenger list (six copies);
- A list of the vessel's provisions (two copies);
- A list of currency and valuables with an indication of the names of the owners and the amounts of each currency each possesses (two copies);
- Cargo documents (four copies).

Upon completion of the work of the commission, the captain is informed that permission is granted for contact with shore (free pratique granted to the vessel).

a. *Customs*

A customs official examines the vessel, checks the accuracy of the lists of currency and valuables, and seals any compartment containing arms, narcotics and cargo intended for other ports. Taking Soviet currency out of the USSR and bringing it into the USSR is forbidden. Any dealings involving foreign currency, except through the agencies of the USSR State Bank are punishable by law as a criminal offense.

b. *Border Control*

Border control officials examine the ship's rolls, passports, and seaman's identity cards, issued in place of passports, and examine the vessel. Crew members and passengers are given passes for going ashore. These passes are shown to the border official on duty at the pier.

c. *Health (Quarantine and Sanitary Control)*

The medical officer of the health authorities ascertains the satisfactory sanitary condition of the vessel and the health of the crew and passengers. All crew members must have certificates of smallpox vaccination, and in certain cases, of other epidemic diseases as well. Persons not having such certification must obtain the necessary (free) vaccinations before going ashore.

The master of the vessel must present to the health authorities a deratization certificate or a certificate of release from deratization. If no certificate is available, the vessel must be examined and, if necessary, deratized.

d. *Agricultural Quarantine Control*

The State Agricultural Quarantine inspector examines the storerooms and holds of the ship. Upon finding agricultural pests on the vessel or in its cargo, he prohibits the use of foodstuffs infested by such pests as well as discharging or loading until disinfection of

the vessel's compartments is carried out. The cost of disinfestation is borne by the vessel. The current rate may be obtained from the "Inflot" agency at the port concerned.

V. *Visas*

To obtain permission for crew members of a U.S. vessel in a USSR port to go ashore, it is necessary to present a list of the crew members to a USSR consular establishment not less than 7 days before the date of intended arrival in port. Persons who are found undesirable and who do not receive visas can, nevertheless, remain on board the vessel without the right of going ashore in a Soviet port.

Persons not included on the list of crew members of the vessel must have a Soviet visa, duly issued by a USSR consular establishment, for going ashore.

Crew members on the crew list of the U.S. vessel who have received the indicated visa have the right to visit the port city. Crew members, with the exception of the vessel's master, must return to the vessel not later than 2400 hours on each day of the vessel's stay. Going or remaining ashore at night is permitted for crew members only on official and other urgent business.

If for any reason a crew member must leave his ship in a Soviet port and travel to another city or leave the USSR, he must receive a visa for this in his passport or seaman's document of identity at the Department of Visas and Registration of the port city, or at the nearest such institution. A crew member entering the USSR to join a crew must also obtain an entry visa. All alien passengers desiring shore leave must be documented with valid national passports and visas issued by a Soviet consul abroad.

VI. *Servicing of vessels. Fees*

Servicing of foreign vessels in Soviet ports is conducted through the "Inflot" agency at the port concerned. An estimate of all likely expenses of each vessel must be worked out in advance by the shipowner with the "Inflot" agency at the given port and payment guaranteed before departure of the vessel from port. Otherwise, the foreign vessel may be detained in port until the expenses are paid or payment guaranteed in some other way.

The rates of charges and payments for services rendered to vessels in USSR ports are applied uniformly to all foreign vessels regardless of flag and are published in the "Inflot" service booklet for each port. The "Inflot" agency at each port arranges certain other services which are paid for according to local prices or a contract.

Vessels calling at port (a) solely for bunkers, fresh water, provisions or health needs, or (b) in cases of emergency, are exempt from paying tonnage dues.

VII. *Jurisdiction in Soviet ports*

Foreign merchant vessels in USSR ports, as well as their crews, fall under Soviet jurisdiction. The USSR authorities will not, however, except at the request or with the consent of the competent consular officer, exercise such jurisdiction or intervene (as the case may be) in respect of any matter occurring on board a foreign vessel, except in connection with a criminal offense affecting citizens of the USSR or any other person not a national of the vessel's flag, not a member of the crew, or not otherwise attached to the ship, or affecting the security of the USSR or the peace or good order of the port, and except in connection with an offense which constitutes a grave offense under the law of the USSR.

The authorities have the right to make arrests on board foreign merchant ships in cases when the crime has been committed wholly or partially on shore or when the consequences of these crimes may cause serious complications on shore, and also at the

request of the captain of the foreign vessel or if this appears necessary to prevent traffic in narcotics.

Under Soviet law, sovereign immunity is accorded only to state-owned vessels, which therefore are not subject to attachment in connection with civil suits. However, vessels which are the property of a foreign state can be denied sovereign immunity under Soviet law to the same extent such foreign state does not accord immunity to Soviet-owned vessels.

VIII. *Pollution control of marine and inland waters*

Pollution control in marine and inland waters generally is a subject of great concern in the USSR. New rules aimed at introduction of more effective measures preventing pollution of internal as well as territorial waters are now being prepared.

Present regulations providing for a fine amounting to two rubles per kilo of spilled oil products are applicable in case of pollution of internal and territorial waters by discharging, dumping or spilling of oil or oil products from a vessel. In addition, the vessel is liable for the actual damages caused by such pollution.

Discharging of garbage overboard is strictly prohibited. Upon request of the master, the port administration ensures the disinfection of garbage and removal of same from the vessel at the expense of the vessel.

IX. *Departure of foreign vessels from USSR ports*

After completing cargo operations or other operations in a port, a vessel must receive permission of the authorities to depart. The port authorities do not permit departure from port if the vessel is overloaded beyond the load lines established by the International Convention on Load Lines of 1966¹ or is unseaworthy, or has not paid port expenses, or if the vessel's documents have expired.

All cargo documents should be signed by the master before the departure. At the request of the master presented through the "Inflot" agency, a Commission composed of officials from border control, customs and port authorities boards the vessel and upon examination of the vessel, its crew and ship's papers clears the vessel for departure from port.

X. *Assistance to vessels in distress*

In the USSR, an emergency rescue service is available for rescuing those who are shipwrecked, as well as for salvage and towing into ports of refuge, etc., to vessels of all nationalities. Requests for assistance are received by radio on frequencies allotted for distress signals, or through "Inflot" agencies.

XI. *Coastal trade between USSR ports*

Foreign vessels may not engage in any of the following activities while in USSR waters:

- (1) Coastal trade (cabotage), meaning the transportation between points in the USSR of merchandise or passengers loaded at one point in the USSR and discharged in another;
- (2) Towing any vessel between points in the USSR;
- (3) Salvage operations.

¹ United Nations, *Treaty Series*, vol. 640, p. 133.

XII. *Acceptance of vessels' documents*

The International Convention on Safety of Life at Sea, 1960, part B, describes those documents, surveys and certifications which will normally be required and accepted by the signatory nations. U.S. measurement certificates are acceptable to USSR authorities as valid measurements of tonnage.

When visiting a Soviet port, a foreign vessel may be subjected to a technical survey if a similar survey is required in ports of that vessel's state in relation to USSR-flag ships.

XIII. *Investigation of accidents*

Investigation of accidents is conducted by the captain of a Soviet port. Such investigation involving foreign vessels is obligatory for accidents which have occurred within the territorial and port waters of the USSR and have affected the interests of the USSR or its citizens. Such investigation is also carried out with respect to accidents occurring beyond the limits of USSR territorial and port waters and involving death or injury to Soviet citizens or damage to property belonging to the USSR, its citizens, or its entities.

Other accidents are subject to such investigation if the master of a vessel, shipowner, or consul of the country of the vessel's flag so requests.

I e

N. ZUEV, PRESIDENT
SOVFRACHT
MOSCOW

October 14th, 1972

Dear Mr. Blackwell:

Enclosed is a copy of the letter which SOVFRACHT proposes to transmit to its chartering agents and which sets forth the charter party terms which we have agreed upon for fixtures made for the carriage of raw and processed agricultural commodities by American flag bulk cargo vessels under the Agreement Between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics regarding certain maritime matters executed today.

Also enclosed is the schedule of rates we have agreed upon for practical purposes to be used under that Agreement in place of a precise calculation of the three-year average rate for 1969, 1970 and 1971 for the carriage of specified categories of raw and processed agricultural commodities by American flag bulk cargo vessels on the routes specified, for fixtures made prior to July 1, 1973.

With respect to item 5 of the charter party terms, relating to cargo insurance, we hereby confirm our verbal advice to you that we will enter into discussions with officials of INGOSSTRAXH for the purpose of directing the placement of

a portion of the marine cargo insurance coverage for shipments of raw and processed agricultural commodities with United States underwriters.

Very truly yours,

[Signed]
N. ZUEV
President

Enclosures.

Honorable Robert J. Blackwell
Assistant Secretary for Maritime Affairs
U.S. Department of Commerce
Washington, D.C.
U.S.A.

MR. N. ZUEV, PRESIDENT
SOVFRACHT
MOSCOW

Dear Mr.

I wish to draw your attention to the following terms which have been agreed upon for the chartering of American flag tonnage for the carriage of grain to the Soviet Union:

1. The chartering of tankers is satisfactory to us.
2. The tonnage to be lifted by vessels will be limited only by draft limitations of the loading port since lightening down to the draft limitations of the discharge port is permitted.
3. Charterers guarantee 32/33 feet salt water draft at discharge port. Lighterage, if any, down to 32/33 feet salt water draft to be at receiver's risk and expense and time used to count as lay time, owner contributing to receivers \$3.50 per long ton of cargo lightened.
4. The rates for demurrage per day or prorata for part of a day are as follows:
—for vessels loading less than 15,000 long tons \$3,000 U.S. Ccy
—for vessels loading between 15,000 and 30,000 long tons \$4,000 U.S. Ccy
—for vessels loading over 30,000 long tons \$4,500 U.S. Ccy
with despatch rate being one-half of the demurrage rate.
5. Any extra cargo insurance due to vessel's age to be for owner's account. The amount will be at the actual cost of such insurance, net of discount, but shall not exceed the following scale:
—Liberties/Forts/Parks/Ocean vessels and Empire of 7/8000 GRT built 1940/1945 inclusive—3 percent.
—Other dry cargo vessels built 1940/1945 inclusive in the countries which participated in the Second World War—1 percent.

—All other vessels 16/20 years old	0.1875 percent
—All other vessels 21/25 years old	0.375 percent
—All other vessels 26/30 years old	0.50 percent
—All other vessels 31/35 years old	0.75 percent
—All other vessels over 35 years old	1.50 percent

6. Receivers guarantee discharge at the rate of 2,000 metric tons alongside berth and 3,000 metric tons for lightening operations, per weather working day of twenty-four (24) consecutive hours, Sundays and official and local holidays and Saturdays after noon (unless Saturday already a holiday, in which case entire day not counting) excepted, whether used or not, provided vessel can deliver at such a rate. Days before holidays to count as three-quarters (3/4's) of a day. Discharge to be free of risk and expense to the Vessel and for account and risk of the buyers or receivers.

7. Cargo to be loaded, stowed and trimmed by Charter's stevedores free of expense to the vessel within the following weather working days of twenty-four (24) consecutive hours, Sundays and holidays excepted:

—For vessels loading up to 25,000 long tons	— 5 days
—For vessels loading up to 35,000 long tons	— 6 days
—For vessels loading up to 55,000 long tons	— 7 days
—For vessels loading over 55,000 long tons	— 9 days

8. Ice clause to the effect that vessel is not required to force ice, but must follow ice-breaker.

9. Vacuators employed for discharge of the vessel, including lightening, will be provided by receivers free of risk and expense to the vessel.

10. Form C approved Baltimore Berth Grain Charter Party will be used with terms similar to those used for the charter of the Italian-flag MS *Donatella*, dated August 8, 1972, with rider clauses, subject to the following:

a. modified as necessary to provide for tankers as follows:

- (i) Clause 16—delete "holds" and insert "tanks"
- (ii) Clause 19 to read "Separations, if any required, by tanks only"
- (iii) Clause 25 to read "Owners guarantee tank top openings to be of sufficient size to permit unhindered loading as customary from elevator spouts and unhindered discharging as customary from suction pipes or vacuators."
- (iv) Add clause to read: "Vessel to be inspected and passed by National Cargo Bureau Surveyor, U.S. Department of Agriculture Grain Inspector and/or Board of Trade Surveyor or Charterer's surveyor as free of odor and in all respects suitable for loading grain cargo in bulk."

b. the rate for second discharge port, if used, to be negotiated with owner; but not exceeding \$.50 per long ton extra on the entire cargo. The owner's brokerage commission as agreed with owner.

c. modified to conform with the terms specified in items 1 through 9 above.

Sincerely,

[Signed]

N. ZUEV
President

Attachment II

MINIMUM FREIGHT RATES FOR THE CARRIAGE OF AGRICULTURAL BULK CARGO WITH RESPECT TO FIXTURES MADE PRIOR TO JULY 1, 1973

The following minimum freight rates have been agreed upon for the chartering of American-flag tonnage for the carriage of agricultural bulk cargo to the Soviet Union with respect to fixtures made prior to July 1, 1973:

For Heavy Grains - corn, wheat, sorghums, milo, rye and soybeans

<i>Trade Area</i>	<i>Base Rate Per L/T</i>	<i>Adjustment to Base Rate Per L/T</i>	
U.S. Gulf Port/Soviet Black Sea Port	\$8.05 F.I.O.T.	—	
U.S. Gulf Port/Soviet Baltic Port		— \$0.30	Plus \$1.00 per L/T F.I.O.T. if scheduled date of ar- rival is between Nov. 1 and Apr. 30
U.S. Gulf Port/Soviet Pacific Port		+ \$2.00	
U.S.N.H. Port/Soviet Black Sea Port		— \$0.50	
U.S.N.H. Port/Soviet Baltic Port		— \$0.50	Plus \$1.00 per L/T F.I.O.T. if scheduled date of ar- rival Baltic is between Nov. 1 and Apr. 30
U.S. North Pacific Port/ Soviet Pacific Port		+ \$0.50	

For Barley

For the carriage of barley, the freight rates provided above will be increased by \$.40 per long ton.

If vessel is directed by Charterers to trade outside of I.W.L. (Institute Warranty Limits) then any extra insurance premiums, if incurred, to be for Charterers' account.

Charter of American-flag ships for the carriage of raw and processed agricultural commodities involving trade areas or categories of cargo not provided for above will be established on the basis of the average market charter rates for the years 1969, 1970 and 1971. Where such market charter rates do not exist for a relevant route or category of cargo, agreed adjustments will be made to published current market charter rates for the most comparable route and category of cargo.

II e

THE ASSISTANT SECRETARY OF COMMERCE
WASHINGTON, D.C.

October 14, 1972

Dear Mr. Zuev:

This will acknowledge receipt of your letter of today transmitting a copy of the letter which you informed me SOVFRACHT proposes to transmit to its chartering agents and which sets forth the charter party terms which we have agreed upon for fixtures made for the carriage of raw and processed agricultural commodities by American flag bulk cargo vessels under the Agreement Between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics regarding certain maritime matters executed today.

Also enclosed with your letter was the schedule of rates we have agreed upon for practical purposes to be used under that Agreement in place of a pre-

cise calculation of the three-year average rate for 1969, 1970 and 1971 for the carriage of specified categories of raw and processed agricultural commodities by American flag bulk cargo vessels on the routes specified, for fixtures made prior to July 1, 1973.

You also confirm in your letter that with respect to item 5 of the charter party terms, relating to cargo insurance, you will enter into discussions with officials of INGOSSTRAKH for the purpose of directing the placement of a portion of the marine cargo insurance coverage for shipments of raw and processed agricultural commodities with United States underwriters.

I am pleased to confirm that your letter and the enclosures reflect our agreement and understanding.

Very truly yours,

[Signed]

ROBERT J. BLACKWELL
Assistant Secretary for Maritime Affairs

Honorable N. Zuev
President, Sovfracht
Moscow

If

THE ASSISTANT SECRETARY OF COMMERCE
WASHINGTON, D.C.

October 14, 1972

Dear Mr. Averin:

This is to confirm our mutual agreement on the understanding that the total of all agricultural cargoes fixed or shipped on and after July 1, 1972, from the United States to the Soviet Union will be included in determining the Soviet and U.S. shares under article 7 and annex III of the Agreement between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics regarding certain maritime matters.

Sincerely,

[Signed]

ROBERT J. BLACKWELL
Assistant Secretary for Maritime Affairs

Mr. Igor Averin
Director of Department of Foreign Relations
of the Ministry of the Merchant Marine
Union of Soviet Socialist Republics
Moscow, Russia

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DEPARTMENT OF FOREIGN RELATIONS
OF THE MINISTRY OF THE MERCHANT MARINE
UNION OF SOVIET SOCIALIST REPUBLICS

October 14, 1972

Dear Mr. Blackwell:

I acknowledge receipt of your letter of today's date and confirm our mutual agreement on the understanding that the total of all agricultural cargoes fixed or shipped on and after July 1, 1972, from the United States to the Soviet Union will be included in determining the Soviet and U.S. shares under article 7 and annex III of the Agreement between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics regarding certain maritime matters.

Sincerely,

[Signed]

IGOR AVERIN

Director of Department of Foreign Relations
of the Ministry of the Merchant Marine

Mr. Robert J. Blackwell
Assistant Secretary for Maritime Affairs
Department of Commerce
Washington, D.C.

RELATED LETTER

THE ASSISTANT SECRETARY OF COMMERCE
WASHINGTON, D.C.

October 14, 1972

Dear Mr. Zuev:

This letter will serve to confirm to you our understanding that the Maritime Administration, U.S. Department of Commerce, will use its good offices and influence with U.S. shipowners in assisting the Soviet Union in procuring vacuators for grain discharging operations.

Additionally, we confirm our understanding that tankers can only be discharged by vacuators and that in order to fulfill the terms agreed upon it will

be necessary either for receivers to purchase vacuators directly or for tanker owners and/or the receivers to come to some arrangement for providing a means of discharge.

Sincerely,

[Signed]

ROBERT J. BLACKWELL
Assistant Secretary for Maritime Affairs

Mr. N. Zuev
President, Sovfracht
Moscow, Russia

MEMORANDUM OF UNDERSTANDING

Acting on behalf of the designated representatives under annex III of the Agreement Between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics regarding certain maritime matters, and pursuant to paragraph 2 *a* of the letters exchanged by the Secretary of Commerce of the United States of America and the Minister of Merchant Marine of the Union of Soviet Socialist Republics dated October 14, 1972, in connection with the Agreement and relating to the understanding of the Parties concerning "mutually acceptable rates," we have agreed that the charter rates specified in paragraphs 2 (*a*) (ii) for shipments of raw and processed agricultural commodities shall be as set forth below for the carriage of heavy grains from U.S. Gulf of Mexico ports to Soviet Black Sea ports, for vessels fixed for loading and tendered by 4:00 p.m. on or before:

December 15, 1972 \$9.40 U.S. Ccy. per long ton F.I.O.T.

December 25, 1972 \$9.20 U.S. Ccy. per long ton F.I.O.T.

January 25, 1973 \$9.00 U.S. Ccy. per long ton F.I.O.T.

plus 10 percent of such rates.

It is our intention to expedite and effectuate to the fullest extent practicable the carriage by U.S.-flag vessels of such raw or processed agricultural commodities under the Agreement consistent with the availability of U.S. vessels.

DONE at Washington, D.C., this 22nd day of November, 1972.

Ministry of Merchant Marine
of the Union of Soviet Socialist
Republics:

[Signed]

N. ZUEV

Maritime Administration
Department of Commerce
of the United States of America:

[Signed]

ROBERT J. BLACKWELL