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FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
#3 memo	Rusk to President C 3 p <i>open 1/12/98</i> <i>(dup. # 92K, NSF, Community File, Cuba, "Free World Shipping V.H.1")</i>	12/11/63	A

FILE LOCATION

NSF, NSAM, NSAM 220--US Govt. Shipments by For. Flag Vessels in Cuban Trade Box 1

RESTRICTION CODES

- (A) Closed by Executive Order 12356 governing access to national security information.
- (B) Closed by statute or by the agency which originated the document.
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THE WHITE HOUSE

WASHINGTON

February 5, 1963

NATIONAL SECURITY ACTION MEMORANDUM NO. 220

TO: The Secretary of State
The Secretary of Defense
The Secretary of Agriculture
The Secretary of Commerce
The Administrator, Agency for International
Development
The Administrator, General Services Administration

SUBJECT: U.S. Government Shipments by Foreign Flag Vessels
in the Cuban Trade

At its meeting on February 5, 1963, the Executive Committee of the National Security Council considered United States policy with respect to shipments financed by the Departments of State, Defense, and Agriculture, General Services Administration, and the Agency for International Development on foreign flag ships engaged in the Cuba trade. The President approved the recommendation that such cargoes should not be shipped from the United States on a foreign flag vessel if such vessel has called at a Cuban port on or after January 1, 1963. The President agreed that an exception may be made as to any such vessel if the persons who control the vessel give satisfactory assurance that no ships under their control will, thenceforth, be employed in the Cuba trade so long as it remains the policy of the United States Government to discourage such trade. The Secretary of State is to be consulted on the form and content of any such assurances.

The Secretaries of State, Defense, and Agriculture, the Administrator of AID, and the Administrator of GSA were directed to take such steps as may be necessary to carry out this policy.

The Secretary of Commerce is to make available to the appropriate Departments current pertinent information which he may have on ships engaged in the Cuba trade.

McGeorge Bundy
McGeorge Bundy

cc: Members of the Executive

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Authority NSC memo 5/23/78
By MDE, NARS, Date 6/6/78

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THE WHITE HOUSE
WASHINGTON

December 16, 1963

MEMORANDUM TO HOLDERS OF NSAM 220

SUBJECT: Amendment to NSAM 220 of February 5, 1963 Relating to
United States Government Shipments by Foreign-Flag
Vessels in the Cuban trade.

The following amendment to NSAM 220 has been approved:

An exception to the prohibitions stated in NSAM 220 may be made as to any vessel or vessels if the persons who control the vessel or vessels give satisfactory assurance

- (a) that no ships under their control will thenceforth be employed in the Cuba trade, except as provided in paragraph (b); and
- ob (b) that vessels under their control which are covered by contractual obligations, including charters, entered into prior to the date of this directive under which their employment in the Cuba trade may be required, shall be withdrawn from such trade at the earliest opportunity consistent with such contractual obligations.

The assurance given hereunder shall contain an undertaking that any ships covered by paragraphs (a) or (b) will not thereafter be employed in the Cuba trade so long as it remains the policy of the United States Government to discourage such trade. No vessel described in paragraph (b) will be eligible to carry any cargo sponsored or financed by any of the agencies listed herein until such vessel has actually ceased to engage in the Cuba trade and has ceased to be under obligation to engage in such trade.

The Secretary of State is to be consulted on the form and content of any assurances given in accordance with this directive. If any assurance given in accordance with this directive is determined to be untrue or has not been complied with, all ships owned or controlled by persons making such assurance may be declared ineligible for the carriage of cargo sponsored or financed by any of the agencies listed herein.

McGeorge Bundy

McGeorge Bundy

Copies sent:

The Secretary of State
The Secretary of Defense
The Secretary of Agriculture
The Secretary of Commerce
The Administrator, Agency for International Development
The Administrator, General Services Administration

~~CONFIDENTIAL~~THE SECRETARY OF STATE
WASHINGTON

December 11, 1963

MEMORANDUM FOR THE PRESIDENT

Subject: Amendment of NSAM 220 Governing
Foreign Flag Shipping in the
Cuba Trade.

National Security Action Memorandum 220 of February 5, 1963 provides that shipments financed by the Departments of State, Defense, Agriculture, General Services Administration, and the Agency for International Development should not be shipped from the United States on a foreign flag vessel if that vessel called at a Cuban port on or after January 1, 1963. NSAM 220 also provides for removal of a vessel from the periodic Commerce Department list of ineligible ships when its owners give satisfactory assurances that no ships under their control will thenceforth be employed in the Cuba trade so long as that is against United States Government policy.

Basil Mavroleon, British ship operator who owns or controls about half the gross tonnage of British flag vessels engaged in shipping to Cuba, has offered to agree in writing that no vessel under his control will be in the Cuba trade after February 1965. Specifically, he has offered to give assurances to the United States that 50 of his vessels will not henceforth go to Cuba and all 35 of his ships under charter to the Sino-Soviet bloc which permit calls in Cuba will be withdrawn as their charters expire. He has stated that nine of these vessels would be out of the trade by August 1964, an additional nineteen ships by November, and the remaining seven vessels by February 1965. A total of 26 of his ships have engaged in shipping to Cuba since the beginning of this year.

We, for our part, would agree to remove his ships

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E.O. 12958, Sec. 3.5
State Dept. Guidelines
By 18, NARA, Date 1-12-98

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from the Commerce list as their charters expire. The sanction for breach of the agreement would be that all ships owned or controlled by Mavroleon could be placed on the Commerce list.

We have information that other Greek shipowners are interested in discussing similar agreements with us.

NSAM 220 will have to be modified to permit the conclusion of such an arrangement with Mavroleon, and I am enclosing with this memorandum a suggested amendment providing for an exception to the provisions of NSAM 220.

While we recognize that persons critical of our Cuban shipping policy might attack the proposed amendment of NSAM as a relaxation of our position of restricting the Cuba trade, we can show that the agreements which we expect to conclude with Mavroleon and other shipowners would over the period of the next twelve to eighteen months result in the removal of a substantial number of Free World vessels now engaged in shipping to Cuba. Failure to take advantage of such offers could only prolong the present situation in which shipowners renegotiate charters with the Soviets as they expire.

I recommend that you give the amendment favorable consideration at an early date. If approval is given, we will continue our efforts to conclude agreements with Mavroleon and other shipowners. We will inform the appropriate maritime unions of our actions when an agreement with Mavroleon has been concluded. I further suggest that an announcement of your decision be withheld until the Mavroleon agreement has been concluded and the unions informed.

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We plan to emphasize in our public treatment of this action that the amendment will result in the sure and substantial reduction over the next months of free world shipping now engaged in the Cuban trade.

The Department of Commerce concurs in these recommendations.



Dean Rusk

Enclosure:

Suggested Amendment to NSAM 220 of February 5, 1963.

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Suggested Draft Amendment to NSAM 220 of February 5, 1963
Relating to United States Government Shipments by Foreign-
Flag Vessels in the Cuban trade.

The President has approved the ^{amending of} ~~following~~ amendment to NSAM 220 as
 [At a meeting of the National Security Council on
 follows:

, the President agreed that NSAM 220 would be
 amended as follows:]

An exception to the prohibitions stated in NSAM 220
 may be made as to any vessel or vessels if the persons who
 control the vessel or vessels give satisfactory assurance

(a) that no ships under their control will thenceforth be
 employed in the Cuba trade, except as provided in
 paragraph (b); and

(b) that vessels under their control which are covered by
 contractual obligations, including charters, entered
 into prior to the date of this directive ^{under which} ~~requiring~~ their
 employment in the Cuba trade ^{may be required,} shall be withdrawn from
 such trade at the earliest opportunity consistent with
 such contractual obligations.

The assurance given hereunder shall contain an undertaking
 that any ships covered by paragraphs (a) or (b) will not
 thereafter be employed in the Cuba trade so long as it

remains

Our lawyers are still checking over
 this word & will let me know if it is
 legally the right one to use in "permitting".

remains the policy of the United States Government to discourage such trade. No vessel described in paragraph (b) will be eligible to carry any cargo sponsored or financed by any of the agencies listed herein until such vessel has actually ceased to engage in the Cuba trade and has ceased to be under obligation to engage in such trade.

The Secretary of State is to be consulted on the form and content of any assurances given in accordance with this directive. If any assurance given in accordance with this directive is determined to be untrue or has not been complied with, all ships owned or controlled by persons making such assurance may be declared ineligible for the carriage of cargo sponsored or financed by any of the agencies listed herein.

McGeorge Bundy

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cc: Mr. Bundy
Mr. Johnson
NSC Files

McGeorge Bundy
McGeorge Bundy

Copies sent:

The Secretary of State

The Secretary of Defense

The Secretary of Agriculture

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The Administrator, Agency for International Development

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