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DEPARTMENT OF THE NAVY
OFFICE OF THE CHIEF OF NAVAL OPERATIONS
WASHINGTON, D.C. 20350

Op-61/njo Ser 00533P61 NOV 2 1970

MEMORANDUM FOR THE CHIEF OF NAVAL OPERATIONS

Via: Vice Chief of Naval Operations 1/1/10

Subj: Bunkering facilities at Mahebourg, Mauritius (U)

Ref: (a) COMIDEASTFOR 251745Z OCT 70

(b) CNO Comment Sheet 719-70 of 27 OCT 70

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- 1. (C) In reference (a), COMIDEASTFOR reported a conversation he had on 23 October with Mauritian Acting Prime Minister Ringadoo concerning bunkering facilities in the southern part of the island. This memorandum responds to your request in reference (b) for a determination of appropriate US Navy action.
- 2. (C) Mauritius, with a dense population of 800,000 and an enervating unemployment rate of 15%, derives 90% of its foreign exchange and 75% of its GNP from a single crop, sugar. One-third of the labor force is engaged in sugar production. The per capita income has remained at less than \$250 annually for the past decade. Although politically favoring the West, Mauritius conducts its foreign relations pragmatically and is receptive to overtures from any nation willing to give economic assistance.
- 3. (S) The US enjoys unhindered Navy ship visit privileges and airfield operating rights in the former British colony. In return, the Navy provided Mauritius an air navigational aid in 1969 and a 26° patrol boat in 1970. Free access has also been granted to Soviet naval, merchant, and fishing vessels. US interests in Mauritius are to limit Soviet operating rights and base facilities on the island while maintaining a political atmosphere which permits periodic US Navy ship visits and occasional use of Plaisance Airfield for surveillance of Soviet space and naval activities. It has become apparent that Soviet objectives involve development of an economic dependence that would further enhance access to the island by Soviet naval and commercial vessels.
 - 4. (S) The US Embassy has received information that the Mauritian Cabinet is considering a proposal by the Grand Port Ocean Terminal, Ltd. (GPOT), a Mauritian firm, for tax-free bunkering at Mahebourg, a port in the southeastern

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portion of the island. Ambassador Brewer reports that GPOT owns five tanks at Mahebourg capable of storing 25,000 tons of petroleum and has ordered two more tanks to raise the total capacity to 77,000 tons. Two twelve-inch offshore loading lines have been installed from the storage facility to buoys 1½ miles offshore. The oil, which would be supplied by the Kuwait National Petroleum Company, would be used for bunkering Japanese and Soviet-owned trawlers, Soviet naval oilers, and merchant ships of all nations. The scheme, if approved, would not have a major effect on the unemployment rate, as only twenty Mauritians would work at the installation. The precise tax and financial arrangements have not yet been determined.

- 5. (C) Three American-owned or affiliated oil companies, Caltex, Esso, and Shell, have outlets in Mauritius. They operate bunkering facilities in Port Louis. These facilities are limited to vessels of less than 25,000 tons. The companies have recognized the economic advantages of the Mahebourg scheme, but acknowledge that GPOT is in the controlling position there.
- 6. (S) Approximately 8-10 Soviet naval, merchant, and fishing trawlers visit Mauritius each month for refueling and replenishing. The Soviets do maintain a large embassy in Port Louis, and in July exchanged notes with the Government of Mauritius on replenishment of the fishing trawlers and limited Aeroflot landing rights. Soviet intrigue in the GPOT bunkering plan is not apparent, but they would obviously benefit from a low-cost, central Indian Ocean refueling point. The US Ambassador has been assured that the Government of Mauritius will not accord special privileges or access to the Soviets.
- 7. (C) STATE encourages Mauritius, as a member of the Commonwealth, to look first to Great Britain for economic and military assistance. US opportunities to aid Mauritius must lie primarily in revision of the US sugar import quotas. They are due to be reconsidered by the Congress next year. The present quota for Mauritius is 17,000 tons annually, an almost insignificant amount. Mauritius produces about 650,000 tons each year and has requested that its US quota be raised to 100,000 tons. An increase of the quota would markedly lower unemployment on the island. Congressman Poage, Democrat of Texas and Chairman of the House Agriculture Committee, is going to visit Mauritius near the end of the year. AID is cooperating with a UN-sponsored Food and Agricultural Organization effort to modernize the Mauritian



fishing industry. The US has recently increased the extent of the PL 480 food program for Mauritius. COMMERCE is promoting tourism, the construction of a Holiday Inn on Mauritius, and investment in light industries. In addition, AID is initiating a program to train Mauritians in the police and public safety fields. The Peace Corps is also active in the development of educational facilities on the island.

- 8. (S) In view of the imbalance between the ten-odd US Navy ship visits to Mauritius and the some hundred Soviet ship visits and the adequacy of existing facilities to support US Navy operations, it does not appear that the US Government could justify expenditures to foster the development of additional bunkering facilities. The Acting Prime Minister of Mauritius has made it apparent that the GPOT operation and the associated Soviet presence does not jeopardize future US use of Mauritian facilities. The Navy is doing its share to promote continued good relations with Mauritius and is encouraging STATE to advance other programs.
- 9. (C) Ambassador Brewer is very much aware of the implications of Soviet naval use of the proposed GPOT facility and is being instructed by STATE to minimize any Soviet military advantage accruing from the arrangement. It is recommended that the Navy position vis-a-vis Mauritius remain unchanged for the present. We shall continue to monitor developments closely and keep you advised.

F. J. BLOUIN
Vice Admiral, U.S. Navy
Deputy Chief of Naval Operations
(Plans and Policy)

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MESSAGE

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PERSONAL FOR GEN THROCKMORTON INFO ADM ZUMWALT. ADM DUNCAN; ADM WENDT FROM RADM BAYNE;

1. AMBASSADOR BREWER OF MAURITIUS ARRANGED A PERFECTLY PLANNED DAY ON 23 OCT INCLUDING CALLS OMIH.E.M. OSMAN. ACTING GOV GEN OF MAURITIUS. H.E. VEERASAMY RINGADOO. ACTING PRIME MINISTER. HIS LORDSHIP A. D'UNIENVILLE. ACTING MAYOR OF PORT LOUIS; LUNCH WITH THE GOVERNOR GENERAL. PRESENTATION OF U.S. PATROL BOAT TO MAURITIAN GOV'T; PRESENTATION OF TELEVISION SET TO MAURITIAN DEPARTMENT OF HEALTH; AND DINNER WITH THE AMBASSADOR ATTENDED BY GOV GEN. PRIME MINISTER AND VARIOUS MAURITIAN OFFICIALS.

2. THE BOAT PRESENTATION WAS HANDLED BY THE COMPTROLLOR OF CUSTOMS WHO INTRODUCED AMBASSADOR BREWER WHO SPOKE OF THE GRANTING OF THE MAURITIAN REQUEST FOR LEASING OF THE BOAT, THE COOPERATION OF THE US NAVY IN PROVIDING THE CRAFT, AND HIS PLEASURE AT BEING ABLE TO OFFICIATE AT THE CEREMONY; INTRODUCED COMIDEASTFOR WHO REMARKED ON THE UNDERSTANDING OF THE IMPORTANCE OF THE SEA BY MAURITIUS AND THE U.S. AND THE HOPE THAT THIS CRAFT WOULD ENABLE MAURITIUS TO CONTROL AND USE ITS OWN WATERS MORE EFFECTIVELY. AND EXPRESSED GRATITUDE AT THE WARM HOSPITALITY ALWAYS SHOWN AMERICAN SHIPS IN MAURITIUS. THE ACTING PRIME MINISTER RINGADOO ACCEPTED THE BOAT, EXPLAINED ITS NEED FOR CUSTOMS CONTROL, AND SPOKE AT LENGTH AND WITH WARMTH REGARDING THE RELATIONSHIPS BETWEEN MAURITIUS AND THE U.S., AND THE WELCOME ALWAYS EXTENDED THE U.S. NAVY IN MAURITIUS. FOLLOWING THE CEREMONY, A HARBOR TOUR IN THE BOAT WAS TAKEN BY THE COMPTROLLOR OF CUSTOMS. OTHER CUSTOM OFFICIALS AND MEMBERS OF THE MAURITIAN PRESS ACCOMPANIED BY CAPTAIN ROBERTS, DESDIV 262, WHOSE SHIP, USS ELLISON HAD BROUGHT THE BOAT TO MAURITIUS, TYPICAL OF THE AMBASSADOR'S THOUGHTFULNESS WAS THE CEREMONY WHICH FOLLOWED IN WHICH COMIDEASTFOR

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SENTED TO THE MINISTER OF HEALTH A TELEVISION SET FOR USE IN A DRITIAN HOSPITAL, THIS SET HAD BEEN PURCHASED BY DONATIONS GIVEN COMIDEASTFOR STAFF AND VALCOUR PERSONNEL WHEN IN MAURITIUS LAST AUGUST AS A RESULT OF A SUGGESTION MADE BY THE IQMBASSADOR. IN INTRO-DUCING COMIDEASTFOR TTE AMBASSADOR MENTIONED THE HANDCLASP MATERIAL BROUGHT TO MAURITIUS BY U.S. NAVAL SHIPS. THE PRESENTATION WAS FULLY RECORDED AND REPORTED FOR PRESS, RADIO, AND TELEVISION, IT WOULD HAVE BEEN MUCH EASIER AND QUITE LOGICAL FOR THE PRESENTATION TO HAVE BEEN MADE BY THE EMBASSY IN THE NAME OF PERSONNEL OF MIDEASTFOR YET IT WAS ARRANGED FOR A TIME WHEN U.S. NAVY UNITS WERE IN PORT SO THAT FULL IMPACT FOR THE NAVY COULD BE ACHIEVED. THIS THOUGHTFULNESS AND GENEROUS SCHEDULING IS THE ROUTINE MANNER IN WHICH AMEMB MAURITIUS HANDLES NAVY VISITS, THE CLEARANCES, THE SCHEDULING, THE ATTENTION TO FACILITIES AND ARRANGEMENTS FOR THE SHIPS, THE PLANNING FOR AIRCRAFT CREWS. THE SOCIAL FUNCTIONS AND ALL ELEMENTS OF NAVY-MAURITIAN RELEATIONSHIPS ARE HANDLED SO AS TO CREATE AN ATMOSPHERE OF SMOOTH INTERACTION WHICH PROVIDES THE BEST POSSIBLE ENVIRONMENT FOR A SUCCESSFUL VISIT, I WOULD HOPE THAT IN SOME WAY THIS APPRECIATION OF AMBASSADOR BREWER'S CONSIDERABLE SUCCESS IN THESE AREAS CAN BE MADE KNOWN TO THE DEPARTMENT OF THATE,

3. OF INTEREST IS THE FACT THAT ACTING PRIME MINISTER RINGADOO INTIDATED WITH COMIDEASTFOR A DISCUSSION OF SOVIET CAPABILITIES AND INTENTIONS IN THE INDIAN OCEAN. THIS WAS DONE AFTER DINNER AT THE AMBASSADOR'S RESIDENCE AND GRADUALLY WORKED TOWARD A DIRECT INFERENCE BY TE PRIME MINISTER THAT IT WAS NECESSARY FOR MAURITIUS TO BRING ECONOMIC RELIEF TO THE DEPRESSED SOUTHERMHPART OF THE ISLAND, I.E. WAS IN SOVIET MARITIME OPERATIONS. I ASSURED HIM THAT NEW FUELING PORTS IN THE WIDE REACHES OF THE INDIAN OCEAN WOULD BE OF USE TO ANY SUCH A CAPABILITY IS DEVELOPED IT WOSRD BE EQUALLY AVAILABLE TO ALL. SEEKING JUSTIFICATION FOR A COURSE OF ACTION WHICH WAS ALREADY WELL OF A CAPABILITY OF THE ACTING PRIME MINISTER SEEMED TO BE UNDERWAY.

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