

Ministry of Commerce  
No. 0537-78

At the attention of the beloved Commerce Committee

May we report to you on the meeting with Comrade Korea on 5 October 1978,  
from 8 a.m. until 10 a.m. at the Ministry of Commerce

Cambodian side includes : Comrades L'mut (ល្អិត), Phn (ភីន)  
and Suon (ស្នូន)



Comrade Korean side includes: Comrades Commerce Advisor, 3<sup>rd</sup> Secretary, and  
Interpreter (Khmer-Korean)

Before commencing trade talks, we informed Comrade Korea, after exchanging an introductory expression, that as Comrade Vann Rith (វ៉ាន់ រិទ្ធិ) was on a mission outside Phnom Penh, three of us have been assigned to greet and discuss trade issues with Comrade Korea today. Comrade Korea also took this opportunity to extend best wishes to Cambodian people on the 18<sup>th</sup> anniversary of the Communist Party of Kampuchea.

Comrade Korea's Comments:

Before raising some trade issues with Comrade Cambodia, we wish to inform Comrade Cambodia that from today onwards, both parties will engage in dialogue in Khmer language for easier mutual understanding while we request that correspondent letters keep written in French language as in the past.

The issues we intend to raise are as follows:

- 1- We intend to purchase from Comrade Cambodia over 10,000 tonnes of rubber for 1979. Without any significant change in international market prices, the rubber cost approximately stands at 4 to 6 million livres sterling. This is our trade projection for 1979. We offer to sell to Comrade Cambodia for 1979 such commodities as steel of all sorts, cement, agricultural fertilizer /insecticide/pesticide, lathes, spare parts of all sorts, light industry goods, calcium carbon, heat resistance bricks, tractors, tractor spare parts, rice millers etc. However, should Comrade Cambodia need other goods, we may be able to supply to boot.
- 2- Comrade Cambodia has been of the view that you will supply us with 10,000 tonnes of rubber for this year. We are agreeable to Comrade Cambodia's view; meanwhile, we must ship steel to Comrade Cambodia to set off payments for the rubber. Thus far, we have transported 56,700 tonnes of rubber. For the remaining [illegible], we will transport 1,000 tonnes in October, 1,000 tonnes in November and 1,000 tonnes in December.

- 3- Several days ago, we received a letter from the team representing shipment via Cambodian Sea at the Kampong Som subsidiary, with regard to port taxes to be paid by our Korean ships. As the letter mentions two vessels of different ownership, and to enable us to communicate with each ship more easily, Comrade Cambodia is kindly requested to prepare two letters addressed to each ship. We will forward the letters respectively to each owner. May Comrade Cambodia please excuse [us] for this issue.
- 4- Two days ago, we obtained a telegram from our Ministry of Commerce to notify the Cambodian Commerce Chief; we hope that Comrade Cambodia is certain to give us a good response to the telegram.

Yesterday, our ship docked at Cambodia's Kampong Som Port. This ship is called Pieng Hua (ផ្សារ ហ្វូ) in replacement of Fang Kim San (ហ្វាង គីមសាន) of which we had earlier notified Comrade Cambodia.

Our Comments:

1. We have grasped Comrade Korea's request that in 1979 an effort be exerted to reach an exchange of goods worth 4 to 6 million livres sterling whereby [Korea] orders a purchase of over 10,000 tonnes of rubber from Cambodia while offering to sell us some products as Comrade Korea has just described. We will report this matter to our Ministry of Commerce's Committee on Foreign Trade. With any decision by the Ministry of Commerce, we will communicate it later.
2. As regards rubber for 1978, Comrade Van Rit had informed Comrade Korea that our Cambodian will endeavour to deliver a sufficient supply to Comrade Korea as scheduled. We will deliver the remaining supply in the coming months of October, November and December.

We have been informed that Pieng Hua ship has arrived instead of Fang Kim San, with its captain requesting the rubber to be loaded aboard, and we have telephoned the Kampong Som Port to proceed with the loading process immediately. (1,000 tonnes of rubber are projected for September 1978).

3. As for port taxation, we will request the Ministry of Commerce to write two letters to Comrade Korea as soon as possible. Comrade Korea is kindly requested to ignore the previous letter upon receipt of the new letters.
4. We have been advised by Comrade Van Rit that our Ministry of Commerce wishes to know about the names of steel that Comrade Korea can supply to us in the 4<sup>th</sup> quarter, concerning the telegram in the previous days. Therefore, Comrade Korea is requested to specify the matter; upon receipt of such specification, our Ministry of Commerce will respond to the telegram from the Korean Ministry of Commerce.

Comrade Korea's Comments:

On this matter, we will request [our Korean leaders] inside the country to make a decision, after which we will notify Comrade Cambodia accordingly.

On this occasion, we would like to inform Comrade Deputy Director of the [National] Bank of Cambodia that that we have written to communicate with our Korean banks in Pyongyang to deal with correspondence letters among the two banks Comrade Cambodia has previously mentioned. We are awaiting results of the intervention. On the other hand, we are of the view that if Comrade Cambodia requests the Cambodian Embassy in Pyongyang to approach the Korean banks directly, it would be of greater help, in the event that our intervention turns ineffective. (We were grateful to Comrade Korea for their attention to this banking matter).

Today's discussions proceeded in an atmosphere of mutual understanding and cordiality.

May *Brother* please be informed and advise us accordingly.

With revolutionary, fraternal respect,

Done on 5 October 1977

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