Declassified E.O. 12356 Section 3.3/NND No. 785017

ACC

10000/109/752
(VOL. I)

Declassified E.O. 12356 Section 3.3/NND No. 785017

10000/109/752
(VOL. I)

AFLR (I) B, INDUSTRIAL CO-ORDINATION COMMITTEE
NOV. 1944 - JAN. 1945

Declassified E.O. 12356 Section 3.3/NND No. 785017

96

To - COS

1. Due recent & pending developments of the "Drafting Committee" Mr Cleveland has been directed to discuss this matter with COS
2. Mr Cleveland will call.

L R Pateman
Col GS E/S. 23-1-45

97.

~~CSO: to~~ COS for information as to above minute JCR 23/1
Noted. P.M.G.R. PA to COS. 23/1

98.

CSO: Next meeting of I C C is Sat. 3 Feb. '45. Do you care to mention the Drafting Committee matter at COS meeting? JCR 25/1.

Noted 26/1

99.

Mr R.
Not discussed at meeting. COS would like to see Mr Cleveland. Will fix arrange. 2.81
CS 26/1

100.

PA to COS: Mr. Cleveland would like to see COS Monday AM or PM if not possible this evening. JCR 27/1 Cleveland see COS then JCR 27/1

101.

CSO: Maj Sheldon wanted to change recommend at 4 drafting Committee. I told Mr Cleveland to reject the proposal & tell the Major that any changes should be put forward by member of the I.C.C. at the next meeting. HS 27/1/45.

seen JCR 27/1

91.

CSO: folios 87-90 are results of new Drafting Committee of ICC, which met 11 Jan 45 JCH 13/1

92.

GS. I have only had time to glance at 87-90 – new terms of reference for ICC but they look all right to me. I am putting them in to you early in case CC asks your opinion.

M 13/1

Chief Commissioner. 93

Attached is submitted for your information/signature/approval.

You have the original on another file. I prefer one investigator to a committee – saves time & manpower

Cos I agree EWS MS 12/1 2.80

93

Major Reidy

Pl see Mr Cleveland and show him COS & CC's remarks. Which refer to paras 5 & 6 of 89.

R 19/1 2.74

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MC 13/1

Chief Commissioner. 93

Attached is submitted for your ~~information~~/~~signature~~/approval.

You have the original on another file. I prefer one investigator to a committee - saves time & manpower

Here's → COS I agree EWD MS 12/1 2.00

93

Major Reicky

Pl see Mr Cleveland and show him COS & CC's remarks. Which refer to para 5 & 6

9 89. 12/1/1911 2474

94

COS

We discussed the single investigator question at great length in the meeting of the Drafting Committee, and agreed that it would not be feasible to find any single investigator who would be truly neutral - since he would come either from AE or AFHQ.

~~Do you think the question~~ Do you, the Chief Commissioner want us to raise the matter with the other members of the Drafting Committee, or handle it by overruling the Drafting Committee at the next J.C.C. meeting?

95

Harley Cleveland
20/1-45.

Decs E on.

Acquit next J.C.C. meeting

forth cleveland.

MS 22/1/45

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64

TO: S.O. to Chief Commissioner.

To note para 3 of folio 63. Phoned AFHQ (Lieut-Harris) this AM and was informed this matter is on agenda for meeting 1030 today.

29 Dec 44.
Office, Chief of Staff.
Ext. 451.

Major.

CC 1258
DEC 27 RECD

Thanks, Noted - 29/12

75.

CSO: to see folio 73 for info. Action taken and completed 31/1

76

73 + 74 seen. 31/1

77.

CSO: I don't believe COS has yet seen folio 65. DCCAO's suggestion is a good one - if suitable officer personnel could be made available. Then, Plant stocks and installations might be saved from cannibalization this way 6/1
Industry S.C. reply (see folio 66) not yet rec'd.

78.

Major Rivett

You were quite right to bring this up, but I discussed with CO and it was on Agenda of last I.C.C. meeting whereby - See 12 13 + 15 of 68. I should like to see minutes referred to in para 15x

79

CSO: par 12 of x folio 68 refers to folio 58 to see 8/1 24/1

Thank you 8/1

CSO: to see folio 73 for info. Action taken and completed JCB 3/1

76

73+74 seen. JCB 3/1

77.

CSO: I don't believe COS has yet seen folio 65. DCCAO's suggestion is a good one - if suitable officer personnel could be made available. Then, Plant stocks and installations might be saved from cannibalization this way JCB 6/1
Industry S.C. reply (see folio 66) not yet rec'd.

78.

Major Kirby

You were Quite right to bring this up, but I discussed with CO and it was on Agenda of last I.C.C. meeting already. See 12 13 & 15 A68. I should like to see minutes referred to in para 12 tx

79

CSO: par 12 tx folio 68 refers to folio 58 to see JCB 8/1 24/1 8/1

Kel 4~ 8/1

83.

CSO: to read folios 80 and 81 (Gen. Robertson to C.C. re: I.C.C. of AFLRB)
C.C. has agreed (folio 82) & instructed Mr. Cleveland to make a fresh start on terms of reference and have an early meeting of Committee. JCB 9/1

(84)

10 Jan. 45.

C.O.S.

Ref. Industrial Co-ordination Committee.

General ROBERTSON has proposed to the Chief Commissioner at 81 that the Drafting Committee should be suspended until agreement in principle is reached on the original terms of reference.

Chief Commissioner at 82 has agreed to this and instructed Mr. Cleveland to carry on.

If I do not hear anything from Economic Section by Saturday 13 Jan. I will enquire as to what progress is being made.

Lt.Col.
C.S.C.

MS 10/1

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TO: CAO Cos.

1. Please see folio 20 and attachments thereto.

2. Formation of the Industrial Coordination Committee is a forward step. The proposed terms of reference, if adopted, would establish a procedure of requisitioning industrial plants only after giving consideration to their potential production of both military and civilian goods.

3. Other high lights:

a) Industrial plants and facilities and stocks to be blocked in the first instance by AC/AMG.

b) Stores, materials and machinery not to be removed until their operational possibilities are explored.

c) Civilian concerns will apply through Italian Ministry of Industry, Commerce and Labor for derequisitioning. After review and if appropriate, these will be submitted to AC through Industry Sub Commission.

d) The authority responsible for operating plants will submit monthly reports to AFLRS for presentation to the ICC.

4. Appendix B (at 12) outlines method and need for joint military/AC participation of the out put of essential industry.

5. A recommendation is being made that Italian Government be admitted to membership on the ICC.

6. The applications attached (2 - 1) covering a specific request for derequisitioning will be supported by detailed data by Industry Sub Commission.

25 Nov 44

22

Beside the Chairman ~~Caffin~~ who is

25/11 TH/27/x.

cmd.

cmd refresentation?

23

COS: Answering your minute above: In addition to the chairman we are represented by the V.P. of the Econ. Sec.

cmd 27/11

2177

2C

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c) Civilian concerns will apply through Italian Ministry of Industry, Commerce and Labor for derequisitioning. After review and if appropriate, these will be submitted to AC through Industry Sub Commission.

d) The authority responsible for operating plants will submit monthly reports to AFHQ for presentation to the ICC.

4. Appendix B (at 12) outlines method and need for joint military/AC participation of the out put of essential industry.

5. A recommendation is being made that Italian Government be admitted to membership on the ICC.

6. The applications attached (2-4), covering a specific request for derequisitioning will be supported by detailed data by Industry Sub Commission.

25 Nov 44

22

Besides the Chairman ~~Captain~~ cml who is our representative? 23/11 TM/27/x.

23

COS: answering your minute above: In addition to the chairman we are represented by the V.P. of the Econ. Sec. cml 27/11 2:77

24

COS: To see signal at 20.
COS has seen cml 27/11

~~24~~

44

CSO: to see folio 42 and 43. COS has seen 43 on file 4005/COS JCB 14/12

51

CSO: to see folio 51 and 52 for info. Why Pirelli plant? JCB 16/12

52

Ref Minute 51 letter of ac/5032/1/10 of 16 Dec returned to Sec S/C at request of Mr Vaughan vice Maj Rively M Spaulding 16/12

S Thompson S/Sec. 17/11

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40129

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

HC:mew

406/ICB

12 Jan 45

JAN 13 1945

SUBJECT: Report of the Drafting Committee of the Industrial Coordination Committee

TO : Rear Admiral Emery W. Stone, USN
Chairman, Industrial Coordination Committee

1. Herewith attached is the report of the Drafting Committee of the Industrial Coordination Committee, resulting from its meeting held yesterday, 11 Jan 45.

2. Pursuant to your direction, and following the proposals set forth in Lieut. General Robertson's letter of 4 Jan 45, the following two documents were agreed:

a. Draft terms of reference of the Industrial Coordination Committee.

b. A draft procedure for requisitioning and de-requisitioning of industrial properties.

RAYMAN CLEVELAND
Chairman,
Drafting Committee, ICC

Encl.

c.c. L.J.S.

2376

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(89)

ALLIED FORCE LOCAL RESOURCES SECTION
A.F.H.Q.

Postal Address :
AFLRS, Rome Area
Allied Command,
C.M.F.
TEL : ROME 66275

LRS/219A.

11 January 1945

ALLIED FORCE LOCAL RESOURCES (ITALIAN) BOARD

DRAFTING COMMITTEE OF THE

INDUSTRIAL CO-ORDINATION COMMITTEE

M I N U T E S

1. Pursuant to the direction of the Industrial Co-ordination Committee and the Chief Commissioner, HQ AC's letter of 8 JAN 45, transmitting copy of letter from CAO, AFHQ to the Chief Commissioner dated 4 JAN 45, the Drafting Committee of the Industrial Co-ordination Committee met on Thursday 11 JAN 45.

2. MEMBERS:

Mr. HARLAN CLEVELAND	Economic Section, HQ AC (Chairman).
Lt.Col. W.B. SHELLAN	G-4 (A) & G-4 (B), AFHQ
Major S.J.B. LOULEN	AFLRS, AFHQ
Major J.T. WHITTLER	AFLRS, AFHQ

3. A draft of revised terms of reference of the Industrial Co-ordination Committee was agreed by the Drafting Committee and is attached as Appendix "A". (88)

4. A procedure for implementing paragraph 1 of the draft terms of reference, in so far as the requisitioning and de-requisitioning of industrial properties are concerned, was agreed and is attached as Appendix "B". (87)

5. In one respect the Drafting Committee departed from the points in the CAO AFHQ's letter of 4 JAN 45. This letter suggested having one or more neutral inspectorates or referees who would carry out investigations on the spot on behalf of the Industrial Co-ordination Committee with respect to conflict between military and civil interests in industry. The Drafting Committee considered that:

(a) It would be difficult or impossible to find an inspector or referee who would be truly neutral and at the same time sufficiently "in the picture" to make an intelligent investigation.

(b) If the AC and military documents in the case are sufficiently factual, a technical review of the facts would be redundant.

2-75

MINUTES

1. Pursuant to the direction of the Industrial Co-ordination Committee and the Chief Commissioner, HQ AC's letter of 8 JUN 45, transmitting copy of letter from CAO, AFHQ to the Chief Commissioner dated 4 JUN 45, the Drafting Committee of the Industrial Co-ordination Committee met on Thursday 11 JUN 45.

2. MEMBERS:

Mr. HARLAN CLEVELAND	Economic Section, HQ AC (Chairman).
Lt.Col. W.B. SHELTON	G-4 (A) & G-4 (B), AFHQ
Major S.J.B. LOUREN	AFLRS, AFHQ
Major J.T. WHITTLESEY	AFLRS, AFHQ

3. A draft of revised terms of reference of the Industrial Co-ordination Committee was agreed by the Drafting Committee and is attached as Appendix "A". (88)

4. A procedure for implementing paragraph 1 of the draft terms of reference, in so far as the requisitioning and de-requisitioning of industrial properties are concerned, was agreed and is attached as Appendix "B". (27)

5. In one respect the Drafting Committee departed from the points in the CAO AFHQ's letter of 4 JUN 45. This letter suggested having one or more neutral inspectorates or referees who could carry out investigations on the spot on behalf of the Industrial Co-ordination Committee with respect to conflict between military and civil interests in industry. The Drafting Committee considered that:

(a) It would be difficult or impossible to find an inspector or referee who would be truly neutral and at the same time sufficiently "in the picture" to make an intelligent investigation.

(b) If the AC and military documents in the case are sufficiently factual, a technical review of the facts would be redundant.

6. As an alternative, it is suggested that one or more investigating Sub-Committees should be established which could both investigate the facts and possibly settle the matter "out of court", thereby relieving the Industrial Co-ordination Committee and expediting settlement.

7. The Drafting Committee was not instructed to consider the draft AFHQ Administrative Memorandum on "Co-ordination of Military and Civilian Requirements for Local Procurement".

S.J.B. LOUREN, Major, AGD,
Secretary,
Drafting Committee.

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(2)

ANNEX 'A'

TERMS OF REFERENCE OF THE INDUSTRIAL CO-ORDINATION COMMITTEE

1. To adjudicate upon all cases referred to it wherein there is a conflict of interest between the requirements of the Allied Armed Forces and the Italian civilian economy with respect to

   (a) The equitable allocation of factories, warehouses and other commercial and industrial facilities and space, and,

   (b) The control of their use and operation.

2. To determine the need for new or revised policies and procedures governing military activities which affect Italian industry, and recommend such policies and procedures to the Allied Force Local Resources (Italian) Board for approval and executive action through AFHQ if necessary.

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(8)

APPENDIX "B"

PROCEDURE FOR REQUISITIONING AND
DE-REQUISITIONING OF INDUSTRIAL PROPERTIES

In order to implement para 1 of the revised terms of reference of ICC, the following procedure has been agreed by the Drafting Committee:

1. The ICC will appoint one of more investigating Sub-Committees consisting of not more than three members to consider the cases defined in para 2 below.

2. In the event the military has occupied or plans to occupy a property that Allied Commission considers essential to the civilian economy, Allied Commission may request the responsible Area, District, Base Section or Army Commander to vacate the property or alter the plan, whether urgent operational need has been advanced by the military authority or not. Allied Commission will accompany their request with a complete and factual justification.

3. The Area, District, Base Section, Army or equivalent commander will consider the request and every effort will be made to reach a solution satisfactory to AC and the military commander. In the event a satisfactory solution cannot be found, the military commander will return the request to AC with a written statement as to his reasons for being unable to comply with the request.

4. AC may then submit the matter to the investigating sub-committee through AFLRS. The sub-committee will investigate the case in detail and attempt to find some solution agreeable to the parties concerned.

5. If no such solution can be found, the sub-committee will submit the case to ICC with recommendations.

6. The ICC will then adjudicate and make its award. If no protest is received by AFLRS within 48 hours after the time of the meeting, such award will become effective. In the event of protest, the matter will be referred to the AFLR (Italian) Board, the decisions of which will be binding upon all parties.

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86

Ref. 3008/62/CCS.

Tel. 229

11 January 1945

SUBJECT: Soda Solvay Works.

TO : Economic Section.

1. Attached are two copies of letter from A.C. of S., G-4, A.F.H.Q. dated 9 Jan 45 advising that the Solvay plant and quarry are not to be requisitioned.

2. Please ensure that the contents of attached letter are brought to the attention of the representative attending the next Industrial Co-ordination Committee Meeting.

Chief Staff Officer,
To the Chief of Staff.

Encl.

Copy to: File 4012/CCS.

(ORIGINAL ON 5008 2.72)

11/1

1897

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85

ALLIED FORCE HEADQUARTERS
APO 512

9 January 1945

Rear Admiral Ellery W. Stone, U.S.N.
Chief Commissioner, Allied Commission
APO 394, U. S. Army.

My dear Admiral Stone:

Following the last meeting of the Industrial Coordination Committee, I made arrangements to have an immediate investigation made of any cases in which American Forces were occupying industrial premises vital to the civilian economy. After several telephone conferences between representatives of the Industry Sub Commission and members of my staff, the Industry Sub Commission wrote to us on 1 January 45 stating that at present there is no case of an industrial premise now occupied by U. S. Forces that they were prepared to have my staff investigate.

While the above discussions were taking place, the proposal to requisition the Solvay Works was referred to you for comment. Based on your presentation of the case for the Solvay Plant, I am sending instructions to the Peninsular Base Section that neither the Solvay Plant nor its quarry is to be requisitioned. If it is possible for the Solvay management to contract with PENBASE to furnish quarry products or to do shop or repair work for PENBASE, such contracts would aid the military effort in that area. It is understood, of course, that such contracts would be made with your approval and would not interfere with the operation of the plant.

When a case is developed in which the American Forces hold a facility which is critical to the civil economy, I will be glad to insure that the case is given immediate attention and fair consideration.

Sincerely,

2.71

CARTER B. MAGRUDER,
Brig. Gen., G.S.C.,
A. C. of S., G - 4.

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4012 | COS

KMS/dfe

CC 4037

6 January 1945

JAN - 9 1945

Mr. Harlan Cleveland, Chairman
Drafting Committee, Industrial Coordination Committee
Allied Force Local Resources (Italian) Board

There is forwarded herewith copy of a letter from Lieut. General Robertson, Co-Chairman of the AFLRB.

With your concurrence, I have agreed to General Robertson's proposals and have so notified him by telephone.

You are therefore directed to proceed in accordance with the attached proposals.

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

cc: Col. Densmore
Chief of Staff
CC Files

Declassified E.O. 12356 Section 3.3/NND No. 785017

~~PRECEDENCE: SECRET~~

Lt-Gen Sir Brian H. Robertson Bt.,
Chief Administrative Officer,
Allied Force Headquarters,
CMF.

100/CAO.

4 Jan. 43.

My dear Admiral,

I have been giving further thought to the difficult question of the Industrial Co-ordination Committee, and have re-read the note which you prepared as a result of the meeting on 22 Dec. It is quite clear to me that we shall not get anything more from the Drafting Committee without a fresh policy directive.

I am inclined to agree with the views already expressed that in strict fact there is nothing in the original terms of reference of this Committee which could not be carried out by existing machinery. The Committee has already agreed that a duplication of machinery is to be avoided.

On the other hand, I should be opposed to the abolition of the Industrial Co-ordination Committee until we are quite sure that in practice it is not a more useful machine for certain purposes than any existing at present. It has already shewn that there are things it can do. I think that the instructions being written on the subjects respectively of the Allied Commission's share in future planning, dereqisitioning, and the procedure for establishing what can be done to increase the output of plants in military hands, prove this.

You will agree, I am sure, that we should not set the Drafting Committee to work again until we are agreed in principle, and we have now established the fact that there is disagreement amongst us on the original terms of reference. My proposal to you is that the Drafting Committee should now be instructed by us to make a fresh start, with the object of presenting new terms of reference to the Board. In doing so, it should bear in mind the general agreement that the terms of reference of the Committee should not, as the present terms do, overlap those of other bodies.

In outline, I suggest that the terms of reference of the Industrial Co-ordination Committee should be drafted to cover the following functions:-

2.70

A. The Committee to exist to act as a Court of Appeal of the first instance to study and make recommendations in all cases which are referred to it by either the military or civil agencies where military requirements conflict with Italian industry.

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(80)

This will entail some elaboration of the procedures to be followed before a matter is brought before the Committee. Without clarity on this point, I fear we should clog the Committee with business which it is neither designed nor competent to undertake.

B. To control one or more neutral inspectorates or referees which could carry out investigations on the spot on behalf of the Committee in respect of cases referred to it under A.

C. To bring to the notice of the Board the need for new or revised procedures governing military activities which affect Italian industry.

If you agree to these proposals, will you please let me know by telephone and instruct the Chairman of the Drafting Committee accordingly, and I will instruct the AFHQ representative. I think the Committee should meet as early as possible.

I am rather tied here at the moment, but if you think it necessary I will send a senior officer to discuss the matter with you.

In conclusion I should like to assure you of the sincerity of my desire to reach a settlement of the question satisfactory to yourself.

Yours sincerely,

/s/ E. H. Robertson

Rear Admiral Hilary W. Stone, USN,
Chief Commissioner,
Headquarters,
Allied Commission,
CMF.

2.69

EHR/emb

5. Minute sheet for Temp Jacket (7d)

DCOS Econ. Sect.: -

Please note instructions & comments on folios 71 and 72.

Signify your concurrence and/or comments hereon, on a minute, and return to O/COS by 1600 28/12. JCP 27/12

6.

70

To: COS

We would suggest the changes indicated on the draft at para 12. It was not our understanding that any actual "decision" was arrived at on the point in question; but rather that the matter was referred to the Drafting Committee for further chewing over. Otherwise, the draft looks all right.

Harlan Cleveland
ED – E/S
28/12 – 1250.

7.

CSO: Your comments to be added, - then to SO to CC for reply to AFHQ JCP 28/12

DCOS Econ Sec

8.

Perfectly agree with Econ Sec. I drafted the para 12 & deliberately put in the words "It was suggested".

AFLRS have altered it!

2168

Action by Econ Sec. as above.

MAT

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We would suggest the changes indicated on the draft at para 12. It was not our understanding that any actual "decision" was arrived at on the point in question; but rather that the matter was referred to the Drafting Committee for further chewing over. Otherwise, the draft looks all right.

Harlan Cleveland
ED – E/S
28/12 – 1250.

7.

CSO: Your comments to be added, – then to SO to CC for reply to AFHQ JCK 28/12
Deos Econsec

8.

Personally agree with Econsec. I drafted the for 12 & deliberately put in the words "It was suggested".

AFHQ have offend it!

Action by Econ Sec. as above.

2:68

RMT

MR 28/XII

73/4

C.S.O. – C.O.S.

9

Action taken.
See copy letter to AFHQ. dated 30 Dec xx. attached

c.o. action dealt for the ord
Econsec

2 Jan 45
Sal 551.

11.

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HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

4.06/ES

EHG:hob

30 December 1944
JAN - 3 1945

SUBJECT: Minutes - Industrial Coordination Committee

TO: AFLRS, RAAC

1. Reference your letter LRS/219A/12 dated 27 Dec 44 and telephone conversation (Major Louden - Maj. Green) of today.

2. The draft minutes of the Industrial Coordination Committee Meeting of 22 Dec 44 are agreed, provided that, in para 12, third line, the word "decided" is altered to read "suggested."

HARLAN CLEVELAND
Executive Director
Economic Section

2467

Declassified E.O. 12356 Section 3.3/NND No. 785017

URGENT

3

ALLIED FORCE LOCAL RESOURCES SECTION
AFHQ

LRS/219A/12

Postal Address:
AFLRS, RAAC, CMF.

Telephone: ROME 66275

27 Dec 44.

SUBJECT: Minutes - Industrial Co-ordination Committee.

TO: Rear Admiral E. W. Stone, (USNR), Chairman, Industrial Co-ordination Committee.

1. Enclosed herewith is a draft of the Minutes of the Industrial Co-ordination Committee held on 22 Dec 44.

2. It would be appreciated if these could be returned as soon as possible, with comments if any, so that publication can be effected immediately.

COS -
Pls Discuss with Exec. Sec.

A. A. Curry, Brigadier,
Chief of Section (Br),
A.F.L.R.S.

SJBL/cwa. I have no alterations to suggest
27/12 Gms

2.65

D R A F T

(70) 2

ALLIED FORCE LOCAL RESOURCES (ITALIAN) BOARD

INDUSTRIAL COORDINATION COMMITTEE - MINUTES

10. The second meeting of the Industrial Co-ordination Committee was held at 1500 hrs on Friday 22 DEC 44 in the AFLRS Conference Room, ROME.

PRESENT:

Chairman
Rear Admiral STONE, E.W. (USNR)

Acting Vice-President, Economic Section, AC
G-4 (A), AFHQ
G-4 (B), AFHQ

Representatives of:

C-in-C, Med.
G-5, AFHQ
CE, AFHQ

In Attendance: Chiefs of Section, AFLRS.
Chief of Staff, HQ., A.C.

Representatives of:

Director, Royal Engineer Services, AFHQ
HQ, AC, Industry Sub-Commission
Coal Section, AFHQ

11. The minutes of the previous meeting held on 2 DEC 44 were approved.

DRAFTING COMMITTEE

12. The minutes of the Drafting Committee meeting of the 11 DEC 44 were considered. The Committee was in general agreement with para 1 of Appendix "A" of these minutes but considerable discussion arose on paragraph 2. It was ~~decided~~ agreed that under the existing terms of reference the Industrial Co-ordination Committee was directed to handle matters which could in part more properly be dealt with through existing staff channels or through other Committees of the AFLR (Italian)

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Acting Vice-President, Economic Section, AC
G-4 (A), AFHQ
G-4 (B),AFHQ

Representatives of:

C-in-C, Med.
G-5, AFHQ
CE, AFHQ

In Attendance: Chiefs of Section, AFLRS.
Chief of Staff, HQ., A.C.

Representatives of:

Director, Royal Engineer Services, AFHQ
HQ, AC, Industry Sub-Commission
Coal Section, AFHQ

11. The minutes of the previous meeting held on 2 DEC 44 were approved.

DRAFTING COMMITTEE

12. The minutes of the Drafting Committee meeting of the 11 DEC 44 were considered. The Committee was in general agreement with para 1 of Appendix "A" of these minutes but considerable discussion arose on paragraph 2. It was decided that under the existing terms of reference the Industrial Co-ordination Committee was directed to handle matters which could in part more properly be dealt with through existing staff channels or through other Committees of the AFLR (Italian) Board. It was decided to reconstitute the Drafting Committee as follows:-

Chairman:- Representative of HQ, AC

Members:- Representative of G-4, AFHQ
Representative of AFLRS, AFHQ

to carry out their original instructions with the above points in view.

PROCEDURE FOR APPLICATIONS FOR JOINT MILITARY/AC PARTICIPATION IN INDUSTRY.

13. The procedure referred to in para 4 of the Minutes of the last meeting regarding bids from HQ AC for participation in the output of plants operated by the Allied Armed Forces was confirmed. The procedure to be implemented as follows:-

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(69)

(a) HQ, AC, to make their demands on the appropriate committee of the A.F.L.R. (ITALIAN) BOARD (terms of reference of the committee to be amended by the Board, if necessary, to implement this).

(b) If the application cannot be met, HQ, AC in consultation with the Committee to submit a further request to AFHQ through AFLRS showing:-

(i) the requirements;

(ii) the justification for the requirements;

(iii) what was additionally necessary to meet the requirements in terms of (1) men; (2) materials;

(iv) a statement showing (1) what compensating economy in imported materials would result; (2) what would be the result if the requirements remained unmet.

REQUISITIONING

14. It was agreed that it would be necessary for AFHQ to issue an instruction on requisitioning covering specifically urgent operational needs in rear areas and providing effective means for AC to state its case on whatever level was necessary.

FUTURE PLANNING

15. It was agreed that there was a need for a procedure for future planning in respect of requisitioning in new territories and this matter was referred to the Drafting Committee established in para 12 above.

16. The next meeting to be held at 0930 hrs Saturday 3 Feb 45 in the AFLRS Conference Room, RMM.

Declassified E.O. 12356 Section 3.3/NND No. 785017

(ii) the justification for the requirements;

(iii) what was additionally necessary to meet the requirements in terms of (1) men; (2) materials;

(iv) a statement showing (1) what compensating economy in imported materials would result; (2) what would be the result if the requirements remained unmet.

REQUISITIONING

14. It was agreed that it would be necessary for AFHQ to issue an instruction on requisitioning covering specifically urgent operational needs in rear areas and providing effective means for AC to state its case on whatever level was necessary.

FUTURE PLANNING.

15. It was agreed that there was a need for a procedure for future planning in respect of requisitioning in new territories and this matter was referred to the Drafting Committee established in para 12 above.

16. The next meeting to be held at 0930 hrs Saturday 3 Feb 45 in the AFLRS Conference Room, ROME.

Declassified E.O. 12356 Section 3.3/NND No. 785017

4012 Cofs

5514
68

COPY NO: 41

ALLIED FORCE LOCAL RESOURCES SECTION
A.F.H.Q.

LRS/219A

Postal Address:
AFLRS Rome Area Allied Command.
C.M.F.

Telephone: ROME 65275

22 December 1944. DEC 31 1944

ALLIED FORCE LOCAL RES. AREA (ITALY) BOARD

INDUSTRIAL CO-ORDINATION COMMITTEE - MINUTES

10. The second meeting of the Industrial Co-ordination Committee was held at 1500 hrs on Friday 22 DEC 44 in the AFLRS Conference Room, ROME.

Present:-

Chairman

Rear Admiral STONE, R.N. (USN)

Acting Vice-President, Economic Section AC.
G-4 (A) AFHQ
G-4 (B) AFHQ

Representatives of:-

G-4-D, AFHQ.
G-5, AFHQ
CE, AFHQ

In Attendance:-

Chiefs of Section, AFLRS.
Chief of Staff, HQ, AC.

Representatives of:-

DE[illegible] Lt, Royal [illegible] Service, AFHQ
HQ, 5, Infantry Sub-Commission
Coal Section, AFHQ

11. The minutes of the previous meeting held on 2 DEC 44 were approved.

SECRET
31 DEC 1944
A. C.

2462

Declassified E.O. 12356 Section 3.3/NND No. 785017

Present:-

Chairman:

Rear Admiral STONE, R.A. (USN)

Acting Vice-President, Economic Section AC.
G-4 (A) ATNG
G-4 (B) ATNG

Representatives of:-

G-1, G-2, ATNG.
G-3, ATNG
CE, ATNG

In attendance:-

Chiefs of Section, ATNG.
Chief of Staff, HQ, AC.

DECLASSIFIED
31 DEC 1944
A. C.

Representatives of:-

DM[illegible]or, Royal [illegible]inner Services, ATNG
HQ, [illegible], Industry Sub-Commission
Coal Section, ATNG

2462

11. The minutes of the previous meeting held on 2 DEC 44 were approved.

DRAFTING COMMITTEE.

12. The minutes of the Drafting Committee meeting of 11 DEC 44 were considered. The Committee was in general agreement with para 1 of Appendix 'A' to these minutes but considerable discussion arose on paragraph 2. It was suggested that under the existing terms of reference the Industrial Co-ordination Committee was directed to handle matters which could with a part more properly be dealt with through existing staff channels or through other Committees of the ATNG (Italian) Board. It was decided to reconstitute the Drafting Committee as follows:-

Chairman:- Representative of HQ, AC.

Members:- Representative of G-4, ATNG
Representative of ATNG, ATNG

to carry out their original instructions with the above points in view.

see Minute 79

Declassified E.O. 12356 Section 3.3/NND No. 785017

PROCEDURE FOR APPLICATIONS FOR JOINT MILITARY/AC PARTICIPATION IN INDUSTRY.

12. The procedure referred to in para 4 of the minutes of the last meeting requiring bids from HQ AC for participation in the output of plants operated by the Allied Armed Forces was confirmed. The procedure to be implemented is as follows:-

(a) HQ, AC to make their demands on the appropriate committee of the Allied Force Local Resources (Italian) Board (terms of reference of the committee to be revised by the Board, if necessary, to implement this).

(b) If the application cannot be met, HQ AC in consultation with the Committee to submit a further request to AFHQ through AFLRS showing:-

(i) the requirements;
(ii) the justification for the requirement;
(iii) what was additionally necessary to meet the requirements in terms of (1) men; (2) materials;
(iv) a statement showing (1) what compensating economy in imports materials would result; (2) what would be the result if the requirement remained unmet.

REQUISITIONING.

14. It was agreed that it would be necessary for AFHQ to issue an instruction on requisitioning covering specifically urgent operational needs in rear areas and providing effective means for AC to state its case on whatever level was necessary.

FUTURE PLANNING.

15. It was agreed that there was a need for a procedure for future planning in respect of requisitioning in new territories and this matter was referred to the Drafting Committee established in para 12 above.

16. The next meeting to be held at 0930 hours Saturday 3 FEB 45 in the AFLRS Conference Room, NAPLES.

[illegible]

S.J.B. LOUDEN, Major, RAOC,
Secretary,
A.F.L.R. (Italian) Board.

SJBL/rwf

Declassified E.O. 12356 Section 3.3/NND No. 785017

Declassified E.O. 12356 Section 3.3/NND No. 785017

[illegible]:-

(a) HQ, AC to take their demands on the appropriate committee of the Allied Force Local Resources (Italian) Board (terms of reference of the committee to be amended by the Board, if necessary, to implement this).

(b) If the application cannot be met, HQ AC in consultation with the Committee to send it a further request to AFHQ through AFLRS showing:-

(i) the requirements;
(ii) the justification for the requirement;
(iii) what was additionally necessary to meet the requirements in terms of (1) men; (2) materials;
(iv) a statement showing (1) what compensating economy in imported materials would result; (2) what would be the result if the relevant [illegible] cannot.

REQUISITIONING.

14. It was agreed that it would be necessary for AFHQ to issue an instruction on requisitioning, covering specifically urgent operational needs in rear areas and providing effective means for AC to state its case on whatever level was necessary.

FUTURE PLANNING.

15. It was agreed that there was a need for a procedure for future planning in respect of requisitioning in new territories and this matter was referred to the Drafting Committee established in para 12 above.

16. The next meeting to be held at 0930 hours Saturday 3 FEB 45 in the AFLRS Conference Room, ROME.

[illegible]

S.J.B. LOMMER, Major, RASC,
Secretary,
A.F.L.R. (Italian) Board.

SJBL/mT

Declassified E.O. 12356 Section 3.3/NND No. 785017

67

DISTRIBUTION

COPY NO.	
1	CAC, (WD)
2/3	C-in-C West,
4	Chief Commissioner, AC.
5/12	G-4 (A) AHQ
13/21	G-4 (B) AHQ
22	G-4 (D) AHQ (for DGAM)
23/24	G-4 (T) AHQ (Spares)
25/26	G-5 AHQ
27	DA Cont Section AHQ
28	G(Joint) AHQ
29	A (AS) AHQ
30	CE, AHQ
31	MGRA, AHQ
32	DST, AHQ
33	DGS, AHQ
34	DGE, AHQ
35	Naval Director, AHQ
36	SA, AHQ
37	CO, ATOMSA
38	GOC, 1st Army Group
39/40	HQ 1st Army Group
41	HQ, AC
42	Vice President, Economic Section, AC
43/48	Economic Section, HQ AC.
49/50	Commerce Sub-Commission, AC.
51/52	Industry Sub-Commission
53/54	DPA, PEMANGK (Main)
55	DPA, PEMBAK (South)
56/57	HQ Logistic Depot
58	DMI, PMG
59	Chairman, Industrial Co-ordination Committee.
60/64	LMS, AC
65/66	MTBR, Naval Base
67/68	MTBR, Sabang
69	MTBR, Singapore Area
70	AIS
71/100	Spares

2461

---oOo---

Declassified E.O. 12356 Section 3.3/NND No. 785017

HQ. A.C. ECONOMIC SECTION

M. Dec 4

(Date)

Fr.		To
✓	ECONOMIC SECTION	
	AGRICULTURE SUB-COMMISSION	
	COMMERCE " "	
	FINANCE " "	
	FOOD " "	
	INDUSTRY " "	
	LABOR " "	
	P.W. & U. " "	
	SHIPPING " "	
	TRANSPORTATION "	
	PRIORITY & MOVEMENTS DIV.	
	REQUISITION DIVISION	
	SUPPLY & RESOURCES DIV.	
	CHIEF COMMISSIONER	
	CHIEF OF STAFF	✓
	DEPUTY CHIEF OF STAFF	
	CIVIL AFFAIRS SECTION	
	ESTABLISHMENT SECTION	
For	Appropriate Action	
	Remarks/Recommendation	
	Investigation & Report	
	Information	
	Noting & Return	
	Noting & Retention	
	Signature	
	Dispatch	
	File Copy	
	Circulation & Return	

Remarks:

Industry is preparing [illegible] which should be in your hands by Jan 2 [illegible]

4012 6218 (61)

Subject:- Industrial Coordination Committee

Civil Affairs Section,
HQ 15 Army Group, CMF,
TEL: FILPOT 35 - 1

To:- Chief of Staff,
HQ Allied Commission

DCCAO/7/5.12
19 Dec 44

1. AMG Eighth Army have raised the point that, if factories in newly liberated territory are to be saved for essential civilian purposes, it is necessary that there should be some agency on the spot which can give an immediate decision as to the factories' future in the early days of liberation.

2. When the allied troops first enter a town, the CAO, in his 48 hrs report states to AMG Army which factories are still standing, which are partly or wholly destroyed, and which are in working order.

3. Forward troops will take from these factories what they need operationally, as they are entitled to (AAI letter 2059/1Q2 dated 29 Sep 44).

4. On arrival of Corps HQ, the question begins to be asked "What is to be the future of such and such a factory?" This is referred to Q Eighth Army, who ask the views of AMG and services. It is not in my opinion ~~their~~ AMG's province to answer such questions (nor should they be asked to make inventories, and such should be clearly stated). The question of the future of the factory has to be referred to this Section or HQ Allied Commission. It was pointed out to AMG Eighth Army that, to meet this situation, the Industrial Coordination Committee has been formed. But the trouble will be that while the Committee will have certain information as to factories in enemy occupied territory, on that information it can only say "If the factory is undamaged, it will work for the Army - or for AC - or it is unimportant and can be cannabilised". What will happen if, as is likely, the factory is damaged when the town is occupied? Army may say "The factory is damaged. Therefore it can't work for AC. Therefore we will remove all the materials we need". In such a case an immediate decision is needed. It will, I think, be useless to wait while the information is sent back to AFHQ, a decision is taken and sent back to Army. By that time the factory will be empty.

5. AMG Eighth Army suggest, and I am of the opinion that it is the only solution, that an officer of the rank of Lt. Col. or above (but not an AC/AMG officer) be attached to Army, and that he be empowered to take executive decisions on such points. He could well be on the strength of the Industrial Coordination Committee, and have under him the AFLR Board officers whose duty it is to find and report back stocks of controlled materials. This officer, following the policy decided on by the Industrial Coordination Committee would be able to give decisions on the spot on each case as it arose (and the circumstances will never be the same). Moreover, the officer will have the double advantage of having the authority of AFHQ behind him, and will represent the interests of both AC/AMG and the Armed Forces.

Declassified E.O. 12356 Section 3.3/NND No. 785017

2. When the allied troops first enter a town, [illegible] report states to AMG Army which factories are still standing, which are partly or wholly destroyed, and which are in working order.

3. Forward troops will take from these factories what they need operationally, as they are entitled to (AAI letter 2059/102 dated 29 Sep 44).

4. On arrival of Corps HQ, the question begins to be asked "What is to be the future of such and such a factory?" This is referred to Q Eighth Army, who ask the views of AMG and services. It is not in my opinion ~~their~~ AMG's province to answer such questions (nor should they be asked to make inventories, and such should be clearly stated). The question of the future of the factory has to be referred to this Section or HQ Allied Commission. It was pointed out to AMG Eighth Army that, to meet this situation, the Industrial Coordination Committee has been formed. But the trouble will be that while the Committee will have certain information as to factories in enemy occupied territory, on that information it can only say "If the factory is undamaged, it will work for the Army - or for AC - or it is unimportant and can be cannabilised". What will happen if, as is likely, the factory is damaged when the town is occupied? Army may say "The factory is damaged. Therefore it can't work for AC. Therefore we will remove all the materials we need". In such a case an immediate decision is needed. It will, I think, be useless to wait while the information is sent back to AFHQ, a decision is taken and sent back to Army. By that time the factory will be empty.

5. AMG Eighth Army suggest, and I am of the opinion that it is the only solution, that an officer of the rank of Lt. Col. or above (but not an AC/AMG officer) be attached to Army, and that he be empowered to take executive decisions on such points. He could well be on the strength of the Industrial Coordination Committee, and have under him the AFLR Board officers whose duty it is to find and report back stocks of controlled materials. This officer, following the policy decided on by the Industrial Coordination Committee would be able to give decisions on the spot on each case as it arose (and the circumstances will never be the same). Moreover, the officer will have the double advantage of having the authority of AFHQ behind him, and will represent the interests of both AC/AMG and the Armed Forces.

HEADQUARTERS
2 [illegible]
A. C.

NELSON W. MONFORT,
Colonel, A. U. S.
DCCAC

NWM/JBT/mv

Copy to:
AMG Eighth Army (ref conversation Beer - Thompson)
Economic Section
Industry Sub-Commission
Commerce Sub-Commission

Declassified E.O. 12356 Section 3.3/NND No. 785017

Declassified E.O. 12356 Section 3.3/NND No. 785017

4012

63

4.064

16 December 44

21 DEC 1944

SUBJECT: Membership of the Italian Government on Local Resources Board Committees

TO : G-5, AFHQ

1. The Allied Commission submitted to the first meeting of the Industrial Coordination Committee, AFLRB, on 2 Dec 44, the attached proposal that a representative of the Italian Government be admitted to membership on the Industrial Coordination Committee.

2. Since this proposal raised the whole question of whether representatives of the Italian Government would be admitted to membership on the Committee of the Allied Force Local Resources Board, and perhaps on the Board itself, it was agreed by the Committee that the principle involved should be submitted to the Political Committee of SACMED (paragraph 5 of the minutes, attached).

3. It would be appreciated if this matter could be placed before the next meeting of the Political Committee, and that a decision be reached which can guide the Industrial Coordination Committee, and other Committees of the Local Resources Board, in this matter.

/s/ Ellery W. Stone

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

Encl.
ICC Minutes of First Meeting 2 Dec 44
Appendix B to Agenda of First Meeting of ICC

2,58

Declassified E.O. 12356 Section 3.3/NND No. 785017

(62)

DISTRICT TWO RPTD AFHQ AND 15 ARMY GROUP

8516 20 DEC 44 PRIORITY

22 DEC 1944

(61)

~~SECRET~~ FD

Para 1. Ref AFHQ FWX 71391 of 19 December.

PARSN TO DISTRICT TWO CMA RPTD AFHQ CMA CMS FIVE ARMY GROUP FROM ALCOM PARSN

Para 2. Special meeting for planning North West ITALY at 1500 hrs 23 Dec will be held at HQ Allied Commission ROME in Main conference Room Third Floor.

Copy to: Staff O, Chief of Staff Sec.

2457

ECONOMIC SECTION

558

NICHOLAS PIONBINI
CWO, USA
ASST. ADJUTANT

ACTION COMON FILE 552/COS
INFO COM ON FILE 4442/COS

Declassified E.O. 12356 Section 3.3/NND No. 785017

U012

(61)

FX 71391

DEO 191800A

O/4387
DEO 202100A
PRIORITY

25/12

FROM : ASHQ SIGNED SACMED CUTS FEDAO

TO : ACTION 15 ARMY GROUP DEO DISTRICT TWO, ALCOM.

Corrected version received by URGENT signal.

CONFIDENTIAL (51)

Ref our FX 70728 of 18th December not to DISTRICT TWO. Representative DISTRICT TWO required at special meeting for planning for NORTH WEST ITALY to be held in ROME 1500 hrs 23 December. ALCOM notify DISTRICT TWO where meeting will be held.

Dist

Action - Room (3)
Info - Chief Commissioner
SO to Chief Commissioner

O of S
File.

ACTION COPY ON FILE S03/COS
INFO COPY ON FILE U012/COS

22/12

Declassified E.O. 12356 Section 3.3/NND No. 785017

401249.502

EX 71391

DEC 191800A

G/4771

DEC 240830A

PRIORITY

20 DEC 1944

FROM : AFHQ SIGNED SACMED CITS FHTAO

TO : ACTION: 15 ARMY GROUP, RPTD: DISTRICT TWO, ALCOM

CONFIDENTIAL

Ref our FX 70[illegible] of 19 December not to District two. Representative District two required at special meeting for planning for Italian ITALY to be held in ROME 1500 hrs 23 December. ALCOM please notify District two where meeting will be held.

DIST

Action - Econ Sec (3)
Info - Chief Commissioner
S.O. to the Chief Commission
C o S
File

From Mac Laurin (by phone)
Arrangements for meeting made and all notified. JB 21/12

2:55

ACTION COPY ON FILE 500/1.2
INFORMATION COPY ON FILE 400/ARS

Declassified E.O. 12356 Section 3.3/NND No. 785017

4012 9 Copy 6015 (59)

COPY NO: 1

ALLIED FORCE LOCAL RESOURCES SECTION
A.F.H.Q.

Postal Address :
A.F.L.R.S. R.A.C. CMF

TEL : NERE 66275

LRS/2150.

15 December 1944

ALLIED FORCE LOCAL RESOURCES (ITALIAN) BOARD
INDUSTRIAL CO-ORDINATION COMMITTEE

20 DEC 1944

AGENDA

The second meeting of the Industrial Co-ordination Committee will be held at 1500 hours on Friday 22 DEC 44 in the AFLRS Conference Room, 2nd Floor, 68 Piazza Dell'Esedra, ROME to consider the following agenda:-

1. Minutes of the previous meeting held on 2 DEC 44.

2. To receive the minutes of the meeting of the Drafting Committee held on 11 DEC 44, (Appendix "A" attached).

3. Any other business.

4. To set a date for the next meeting.

HEADQUARTERS
19 DEC 1944
A. G.

S.J.B. LOWREY, Major, [illegible],
Secretary,
A. F. L. R. (Italian) Board.

SJBL/gs.

2454

DISTRIBUTION

Copy No.	
1	G4, AFHQ
2/3	G-in-C Med.
4	Chief Commissioner, AC.
5/12	G-4 (A), AFHQ.
13/21	G-4 (B), AFHQ.
22	G-4 (C), AFHQ (for DGEC).
23/24	G-4 (E), AFHQ (for Spurs).
25/26	G-5, AFHQ.
27	G4, Coal Section, AFHQ.
49	Genl. File.
50	Chairman Industrial Coordination Committee.
51/55	LRS, AAI.
56/57	AFLRS NAPLES AREA.
58/59	AFLRS S.S. AREA.
60	AFLRS SICILIAN AREA.
61	File.
62/68	Spare.

Declassified E.O. 12356 Section 3.3/NND No. 785017

AGENDA

The second meeting of the Industrial Co-ordination Committee will be held at 1500 hours on Friday 22 DEC 44 in the A/TAC Conference Room, 2nd Floor, 68 Piazza Dell'Esedra, RMC to consider the following agenda:-

1. Minutes of the previous meeting held on 2 DEC 44.

2. To receive the minutes of the meeting of the Drafting Committee held on 11 DEC 44. (Appendix "A" attached).

3. Any other business.

4. To set a date for the next meeting.

HEADQUARTERS
19 DEC 1944
A. C.

S. J. A. LOUGEE, Major, Canada,
Secretary,
A. P. L. R. (Training) Board.

NBEL/gs.

2454

DISTRIBUTION

Copy No.	
1	CA, AMC
2/3	C-in-C MEA.
4	Chief Commander, AC.
5/1	G-4 (A), AFHQ.
13/21	G-4 (I), AFHQ.
22	G-4 (B), AFHQ (for DCAS).
23/24	G-4, (M), AFHQ (for Spares).
25/26	G-5, AFHQ.
27	G4, Good Section, AFHQ.
28	G(Maint), AFHQ.
29	G(AS), AFHQ.
30	CE, AFHQ.
31	MCOM, AFHQ.
32	ASC, AFHQ.
33	DOC, AFHQ.
34	LOE, AFHQ.
35	Fiscal Director, AFHQ.
36	FA, AFHQ.
37	OC, MEDSA.
38	CAO, 15 Army Group.
39/40	SG 15 Army Group.
41	SG AC.
42	Vice-President, do Section, AC.
43/44	Economic Section, AC.
45	Commerce Sub-Comm. AC.
46	Industry Sub-Comm. AC.
47/48	SG Airlectro Depot.
49	Ord. PRO.
50	Chairman Industrial Co-ordination Committee.
51/55	IRE, AAI.
56/57	ATLAS EXPRESS AREA.
58/59	MEAF S.E. AREA.
60	ADRIATIC STELLIAN AREA.
61	Spare.
62/90	Spare.

Declassified E.O. 12356 Section 3.3/NND No. 785017

(58)

41

ALLIED FORCE HEAD QUARTERS SECTION
A.F.H.Q.

Postal Address :
AFHQ, A.P.O. 512

TEL : NOAS 6275

11 December 1944

AFHQ/219.

ALLIED FORCE H.Q. REVIEW (ITALIAN) BOARD

MEETING COMMITTEE OF THE
INDUSTRIAL CO-ORDINATION COMMITTEE

M I N U T E S

(59)

1. The Drafting Committee met on January 11 1945 A in the AFHQ Conference Room, Rome, to re-draft the proposals submitted as Appendix 'A' to the Agenda for the First Meeting of the Industrial Co-ordination Committee.

2. Present:

Major MERSON	G-4 (A) AFHQ
Lt Col ROBLAND	G-4 (B) AFHQ
Capt. BUTTERWORTH	G-5 AFHQ
Lt Col PRENDOTT	HQ ALI
Mr CLEVELAND	HQ AC
Mr WEIGLEY	HQ AC
Major LANDERS	HQ AC
Sqdr CURRY	AFLEG, AFHQ
Major LOUREN	AFLEG, AFHQ

3. The Drafting Committee considered the terms of reference of the Industrial Co-ordination Committee (as approved by AMIR Board) and recommend that Appendix 'A' attached to the procedure be included para 1 (b) under of the terms of reference.

2453

4. The Drafting Committee were unable to agree on interpretation of para 1 (b), (c), (d) and (e) of the Terms of Reference which would permit of a procedure acceptable to AMG G-4 members.

J.J.P. LOUREN, Major, R.A.O.C.
Secretary,

1. The Drafting Committee met on Monday 11 [illegible] in the AFHQ Conference Room, Bona, to re-draft the proposals submitted as Appendix 'L' to the Agenda for the first meeting of the Industrial Co-ordination Committee.

2. Present:

Major [illegible]	G-4 (A) AFHQ
Lt Col [illegible]	G-4 (B) AFHQ
Col. [illegible]	G-5 AFHQ
Lt Col [illegible]	HQ AAI
Mr [illegible]	HQ AC
Mr [illegible]	HQ AC
Major [illegible]	HQ AC
Maj [illegible]	AFHQ, AFHQ
Major [illegible]	AFHQ, AFHQ

3. The Drafting Committee considered the terms of reference of the Industrial Co-ordination Committee (as approved by AFHQ Board) and recommends that Appendix 'L' attached be the procedure to implement para 1 (b) on page 2 of the terms of reference.

2453

4. The Drafting Committee were unable to agree on interpretation of para 1 (a), (c), (e) on (c) of the Terms of Reference which would permit of a procedure acceptable to AFHQ G-4 members.

B.J.B. DOUGLAS, Major, R.A.O.C.,
Secretary,
Drafting Committee.

DISTRIBUTION:

Copy No:

1	G.O.C. AFHQ	20	Q(Maint), AFHQ
2/3	G.S.O.1, Hol.	21	Q(AE), AFHQ
4	Chief Co-ordinator AC	22	CE, AFHQ
5	G-4 (A), AFHQ	23	DAC, HQ AAI
6/14	G-4 (B), AFHQ	24/25	HQ, AAI
15	G-4 (B), AFHQ (for DCIC)	26	Vice President, Economic Section, AC
16/17	G-4 (B), AFHQ (Spares)	27	File
18/19	G-5, AFHQ	28/115	Spares.

see Minute 79

Declassified E.O. 12356 Section 3.3/NND No. 785017

Declassified E.O. 12356 Section 3.3/NND No. 785017

APPENDIX "A"

INDUSTRIAL COORDINATION COMMITTEE

In order to implement paras (b) and (f) of the Terms of Reference, the following procedure is recommended to the Draft Committee :-

In liberated Italy.

1 (i) In the case of factories, plants, machinery, warehouses and storage space now occupied or used by the Allied Armed Forces, A.C. would make application for de-requisition in the first instance to the military authorities responsible in the area. In the event of a conflict between military and civilian requirements which cannot be resolved between the military commander responsible for military local administration in the area concerned, and the AC/AMG local representative,

(a) AC may submit in writing to the I.C.C. through AFHQ complete details of their requirements together with a factual study that supports their claim that the particular property is essential to the civilian economy within the military responsibility. The submission will include a statement by the local military commander showing clearly why the military are unable to accede to the request of AC.

(b) I.C.C. will study the case, if necessary by means of an investigating committee, and will submit its findings to the AFHQ Board with recommendations as to the action to be taken.

2 (ii) In the case of all other factories, plants and machinery, warehouses and storage space, the following procedure would apply :-

(a) That instructions be issued by AMG, that when the Allied Armed Forces propose to requisition factories, plants and machinery, warehouses and storage space, or move plant and machinery from requisitioned buildings, the military commander responsible for local administration in the area will consult the AMG representative prior to such action.

2452

(b) In the event of a conflict between the military and civil requirements, which cannot be resolved locally, the matter will be referred through AFHQ to the I.C.C.

(c) I.C.C. will study the case, if necessary by means of an investigating committee, and will submit its findings to the AFHQ Board with recommendations as to the action to be taken.

Declassified E.O. 12356 Section 3.3/NND No. 785017

4012 H.

FX - 70723

DEI 13/1342

DEI 19/1005

PRIORITY

FROM : AFHQ SIGNED SACMED CITE: FHQAO

TO : ALLIED COMMISSION, 15 ARMY GROUP

19 DEC 1944

EN CLEAR

Ref our F X 59404 of 29 November and F R 60419 of 30 November. Special meeting for planning for North West ITALY will be held 1500 hrs Saturday 23 December. Reps AFHQ Allied Commission and 15 Army GP will attend. Allied Commission please arrange room and notify all concerned at AFLRG board meeting.

2451

ACTION COPY ON FILE 503/COS

INFO COPY ON FILE 4012/COS

Declassified E.O. 12356 Section 3.3/NND No. 785017

NOTES on the Second Meeting of the Industrial Coordination Committee held on Friday 22 December 44.

1. Mr. Cleveland reported on the Meeting of the Drafting Committee pointing out that only two matters were agreed upon by it, namely:

a. De-requisitioning procedure (Terms of Reference (b).)
b. Requisitioning procedure (Terms of Reference (f).)

Col. Densmore put forward an objection to the wording of the procedure agreed by the Drafting Committee for requisitioning and presented a counter-proposal by which:

IN THE ARMY AREA - The Military Commander responsible for local administration in the area would consult with AC/AMG representative prior to such action with a view to reaching agreement. In case of disagreement, the decision of the Military Commander would prevail.

IN TERRITORY OTHER THAN ARMY AREAS - The Military Commander responsible for local administration in the area, would consult with the AC/AMG representative prior to such action; in the event of a conflict of military and civilian requirements, which cannot be resolved locally, the military commander will take no action until a decision has been reached through reference of the matter through AFHQ to ICC.

2. The Chairman then referred to the failure of the Drafting Committee to fulfil its instructions which were to re-draft and submit to the Committee, at a later meeting, the Appendix A to the Agenda of the first meeting (i.e., the terms of implementation of the Terms of Reference of the Industrial Coordination Committee.

3. General Lewis then put forward the suggestion that there was a need, for a body of experts to review the disputed cases of requisition and de-requisition. This body to be a permanent one and to meet at fixed intervals (a month was mentioned). This method would, he stated, speed up action. He then stated that the present Committee was not, in his opinion, a suitable type of organization to deal with the problem at issue.

4. General Maitrunder then supported the statements put forward by Gen. Lewis and maintained a stand for the right of the Armed Forces to requisition (without reference) in Near Areas. He quoted cases of Operational Necessity - namely the move of Air Force Units from one Near Area to another Near Area.

He further stated that the claim of "Operational necessity" would not be abused by Armed Forces Commanders who would be well aware of the fact that contentious cases of requisition or de-requisition would be the subject of close inspection by the body of experts (see para 3 above). Therefore, requisitions would not be made except in case ofurgent necessity.

5. Brig. Insh said that the responsibility of the Allied Commission, in the interests of the economy of the country, was to prevent damage to industrial plants, etc. If these were requisitioned the experience of the Commission was that damage was done, plant removed, etc. The Commission needed machinery to prevent

[illegible] - the military commander responsible for local administration in the area, would consult with the AC/AMG representative prior to such action; in the event of a conflict of military and civilian requirements, which cannot be resolved locally, the military commander will take no action until a decision has been reached through reference of the matter through AFLRS to ICC.

2. The Chairman then referred to the failure of the Drafting Committee to fulfil its instructions which were to re-draft and submit to the Committee, at a later meeting, the Appendix A to the Agenda of the first meeting (i.e., the terms of implementation of the Terms of Reference of the Industrial Coordination Committee.

3. General Lewis then put forward the suggestion that there was a need, for a body of experts to review the disputed cases of requisition and de-requisition. This body to be a permanent one and to meet at fixed intervals (a month was mentioned). This method would, he stated, speed up action. He then stated that the present Committee was not, in his opinion, a suitable type of organisation to deal with the problem at issue.

4. General Kedruder then supported the statements put forward by Gen. Lewis and maintained a stand for the right of the Armed Forces to requisition (without reference) in Rear Areas. He quoted cases of Operational Necessity - namely the move of Air Force Units from one Rear Area to another Rear Area.

He further stated that the claim of "Operational necessity" would not be abused by Armed Forces Commanders who would be well aware of the fact that contentious cases of requisition or de-requisition would be the subject of close inspection by the body of experts (see para 3 above). Therefore, requisitions would not be made except in case ofurgent necessity.

5. Brig. Lush said that the responsibility of the Allied Commission, in the interests of the economy of the country, was to prevent damage to industrial plants, etc. If these were requisitioned the experience of the Commission was that damage was done, plant removed, etc. The Commission needed machinery to prevent such action and if the Committee was merely to be a judicial committee to decide matters post factum, they could prevent initial damage. The phrase "operational necessity" was too widely interpreted.

6. Gen. Lewis then stated that "the English Language and AFHQ together" were capable of producing an instruction on the subject which would be effective. He also stated that "Operational Necessity" claims could be subject to authority from AFHQ. He then said that Brig. Lush's doubts about the effectiveness of an AMHQ instruction on the subject of damage to requisitioned buildings, plant and machinery etc., were based on something which had not yet been produced.

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7. The Chairman said that these doubts were based on AC experience with similar types of instructions which had already been issued.

8. The Chairman then instructed the Drafting Committee to meet again to recommend the extent to which the ICC Terms of Reference can be implemented, and the procedure for implementing those Terms of Reference. Gen. Wainwright was then requested by the Chairman to produce a Draft Instruction as put forward by Gen. Lewis (see para 6 above).

The Chairman continued, saying that, if it is found that the Committee could not serve the purpose for which, at AC's request, it was formed he would recommend its dissolution. If this were found to be necessary, however, he would consider it his duty to report the facts to the highest possible authority, if necessary in Washington and London, as its dissolution would be an obstacle in the path of AC fulfilling its own mission and would lead to further unrest and the assignment of special troops to preserve order.

9. Col. Butterworth then presented a paper (referring to Appendix "B" of the last ICC agenda) regarding the question of production of Military controlled Plants in relation to their capacity, and AC's participation in the possible increased production. It was agreed that procedure for obtaining participation in such increased production should be that laid down in Minute No. 4 of the Meeting of the Industrial Coordination Committee of the 2 December 44.

10. It was then proposed by Gen. Lewis that the number of members on the Drafting Committee should be reduced. The figure was finally agreed at three - being: Mr. Cleveland as Chairman, Brig. Curry and Representative from G-4. It was indicated that Fifteenth Army Group, was not sufficiently interested to require representation on the Drafting Committee.

11. Gen. Lewis then suggested that it would be more convenient if the meetings of the Industrial Coordination Committee could be held on the same day as the AFHQ meeting, as such an arrangement would save the time of a number of busy people.

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ALLIED FORCE LOCAL RESOURCES (ITALIAN) BOARD

INDUSTRIAL CONSULTATION COMMITTEE

22 December 44

PROPOSED AMENDMENT TO REPORT OF THE INDUSTRIAL COMMITTEE DATED 12 DEC 44

The following amendment is proposed in lieu of paragraph A (ii) a), b), and c) in order to clarify it and prevent ambiguity:

A. . . . . .

(ii) In the case of all other factories, plants, machinery, warehouses and storage space, the following procedure would apply:

a) That instructions be issued by AFHQ that when the Allied Armed Forces propose to requisition factories, plants, machinery, warehouses and storage space, or move plant and machinery from requisitioned buildings, the military commander responsible for local administration in the area will:

(1) IN ARMY AREA, consult with the AC/AG representative prior to such action, with a view to reaching agreement.

(2) IN TERRITORY OTHER THAN ARMY AREAS, consult with the AC/AG representative prior to such action; in the event of a conflict of military and civilian requirements which cannot be resolved locally, the military commander will take no action until a decision has been reached through the procedure described in paras b) and c) below.

b) In the event of a conflict between the military and civil

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and storage space, the following procedure would apply:

a) That instructions be issued by AFHQ that when the Allied Armed Forces propose to requisition factories, plants, machinery, warehouses and storage space, or move plant and machinery from requisitioned buildings, the military commander responsible for local administration in the area will:

(1) IN ARMY AREA, consult with the AC/ALG representative prior to such action, with a view to reaching agreement.

(2) IN TERRITORY OTHER THAN ARMY AREAS, consult with the AC/ALG representative prior to such action; in the event of a conflict of military and civilian requirements which cannot be resolved locally, the military commander will take no action until a decision has been reached through the procedure described in paras b) and c) below.

b) In the event of a conflict between the military and civil requirements which cannot be resolved locally, the matter will be referred through AFLIS to the ICC.

c) ICC will study the case, if necessary by means of an investigating committee, and will submit its findings to AFLIS with recommendations as to the action to be taken.

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To : Economic Section.
Attn: Mr. Cleveland.

1. I suggest para A (ii)(a) should read as follows:-

" (a) That instructions be issued by AFHQ that when the Allied armed forces propose to requisition factories, plants and machinery, warehouses and storage space, or to move plant and machinery from requisitioned buildings

(i) in 15 Army Group territory the Military Commander responsible for local administration will consult with AC/AMG representative prior to such action:

(ii) in AFHQ territory the Military Commander responsible for local administration in the area will obtain the agreement of the AC/AMG representative prior to such action.

(b) In the event of conflict between the military and civil requirements which cannot be resolved locally, the matter will be referred through AFLRS to the ICC who will, in the case of (a)(i) decide whether de-requisitioning shall be effected and if action has already been taken and in the case of (a)(ii) decide whether requisitioning shall take place or not. "

2. This is in reference to the briefing meeting this afternoon with the Chief Commissioner.

MSC

Brigadier,
Chief of Staff.

21.Dec.44.

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45

Ref. 4012/45/COS

Tel. 451

14 December 1944

SUBJECT: Agenda for Industrial Co-ordination Committee Meeting ~~[illegible]~~ Dec 44.
Fri. 12 Dec 44

TO : Economic Section.

43

1. Reference signal LRE/211A of 13 Dec from AFLRE.

2. The COS directs that items required for inclusion in agenda of above meeting be submitted to this office by 1600 hours Friday, 15 Dec.

1

E on Sect. replying directly to Brig. Curry re: agenda. ~~[illegible]~~ JCB
Atkins will furnish us a copy of proposed agenda. 15/12

JCB

A Chief Staff Officer,
To the Chief of Staff.

CO 15/12

Noted 12:44 PM

PA 14/12

Declassified E.O. 12356 Section 3.3/NND No. 785017

4012

R.A.A.F. MESSAGE FORM.

13 DEC 1944

43

CALL	CIRCUIT NO. NR	PRIORITY	TRANSMISSION INSTRUCTIONS
FROM (A) APLES, RAAF			DATE-TIME OF ORIGIN 131215 A
TO (FOR ACTION) Addressees as below.			Message Instructions / GR
Ref. No. LBS/211A			Security Classification. [redacted]

REF LBS/211A DATED 7 DEC CANCELLED STOP MINISTERIAL MEETING OF ALLIED FORCES LOCAL RESOURCES ITALIAN BOARD WILL BE HELD AT 1100 HOURS SATURDAY 23 DEC 44 STOP NEW AGENDA BEING CIRCULATED STOP NEW SUBJECT STOP SECOND MEETING INDUSTRIAL CO-ORDINATION COMMITTEE WILL BE HELD 1500 HOURS FRIDAY 22 DEC 44 STOP PLEASE CABLE ANY ITEMS REQUIRED FOR INCLUSION IN AGENDA STOP ALL INFORMED

DISTRIBUTION:

CAO, APHQ.
C-in-C MED.
G-4 (A), APHQ.
G-4 (B), APHQ.
G-5, APHQ.
Q (Maint), APHQ.
Q (A.E.), APHQ.
CE, APHQ.
IW, APHQ.
FA, APHQ.
OS, MEDUSA.
G-4, MEDUSA.
CAO, AAI.
HQ, AAI.
SENALUSNO.
MAAP (A), APHQ.
MAAP (B), APHQ.
AAPSO/MTO.
214 GROUP, RAF
FA, RAF
DRO, AAI
BPA, PETWASE

HEADQ...
13 DEC 1944
1 C.

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FISCAL DIRECTOR, APHQ.

COPY ON FILE 4005/105 Sec

Ref. No. LEG/211A

4005

Security classification: [redacted]

REF LEG/211A DATED 4 DEC CANCELLED STOP NINETEENTH MEETING OF ALLIED FORCE LOCAL RESOURCES ITALIAN BOARD WILL BE HELD AT 1100 HOURS SATURDAY 23 DEC 44 STOP NEW AGENDA BEING CIRCULATED STOP NEW SUBJECT STOP SECOND MEETING INDUSTRIAL CO-ORDINATION COMMITTEE WILL BE HELD 1500 HOURS FRIDAY 22 DEC 44 STOP PLEASE CABLE ANY ITEMS REQUIRED FOR INCLUSION IN AGENDA STOP ALL INFORMED

DISTRIBUTION:

CAO, AFHQ.
C-in-C MEDI.
G-4 (A), AFHQ.
G-4 (B), AFHQ.
G-5, AFHQ.
Q (Maint), AFHQ.
Q (A.E.), AFHQ.
CE, AFHQ.
EW, AFHQ.
FA, AFHQ.
CE, MTOUSA.
G-4, MTOUSA.
CAO, AAI.
HQ, AAI.
SEMALUSNO.
MAAF (A), AFHQ.
MAAF (B), AFHQ.
AUFSC/MTO.
214 GROUP, RAF
FA, NAF
DRS, AAI.
NPA, PETROLEO

FISCAL DIRECTOR, AFHQ.

HEADQ...
13 DEC 1944
1 C.

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COPY ON FILE 4005/105 Sen

by all concerned.

LOCAL DISTRIBUTION:

Chief Commissioner, ACI.
HQ, AC.
Vice-President, Economic Section, AC.
Economic Section, AC.
AFLRS NAPLES AREA.
AFLRS S.E. AREA.
AFLRS SICILIAN AREA
FOOD SUB-COMMISSION, AC.
LABOUR SUB-COMMISSION, AC.

PRECEDENCE: ROUTINE	TIT OR TOR	OPR.
ORIGINATING SECTION: AFLRS, NAAF.	TIME CLEARED	
A.C. AUTHENTICATION		
ORIGINATOR'S AUTHENTICATION:		

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HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

HC:mew

4.01 /ES

12 Dec 44

16/12

16 DEC 1944

SUBJECT: Industrial Coordination Committee

TO : Chief Commissioner

1. You will remember that at the Industrial Coordination Committee meeting on 2 Dec, a Drafting Committee was appointed to go over Appendix A to the Agenda, which was a statement of how the terms of reference might be implemented.

2. The Drafting Committee met on 11 Dec 44 and spent nearly the entire day discussing this question. In the end, agreement was reached only on the implementation on paragraphs 1 (b) and 1 (f) of the terms of reference. The attached Drafting Committee report, and the Appendix to it, shows the extent to which agreement has been reached on these two points.

3. Generally speaking, the representatives of G-4, AFHQ took the position that AC should only come into the picture after the damage has been done--that is, AC should be allowed to apply for the derequisitioning of a factory, or protest (after the fact) the movement of plant and machinery from one place to another. After a discussion lasting several hours, agreement was reached on two points:

a) AC will initiate derequisitioning applications, and in case of conflict the matter will be carried up to the Industrial Coordination Committee.

b) The military will have to clear with the local AC/AMG representative <u>before</u> requisitioning any additional industrial premises in presently liberated Italy, and any industrial premises at all in future liberated territory.

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4. The detailed recommendations of the Drafting Committee on these two points appear in the Appendix to the Drafting Committee report. As far as they go, we think they are most satisfactory, and we feel that it is a considerable step forward to have the military clear with AC/AMG before additional steps

1. You will remember that at the [illegible] Committee was appointed to Committee meeting on 2 Dec, a Drafting Committee was appointed to go over Appendix A to the Agenda, which was a statement of how the terms of reference might be implemented.

2. The Drafting Committee met on 11 Dec 44 and spent nearly the entire day discussing this question. In the end, agreement was reached only on the implementation on paragraphs 1 (b) and 1 (f) of the terms of reference. The attached Drafting Committee report, and the Appendix to it, shows the extent to which agreement has been reached on these two points.

3. Generally speaking, the representatives of G-4, AFHQ took the position that AC should only come into the picture after the damage has been done--that is, AC should be allowed to apply for the derequisitioning of a factory, or protest (after the fact) the movement of plant and machinery from one place to another. After a discussion lasting several hours, agreement was reached on two points:

a) AC will initiate derequisitioning applications, and in case of conflict the matter will be carried up to the Industrial Coordination Committee.

b) The military will have to clear with the local AC/AMG representative <u>before</u> requisitioning any additional industrial premises in presently liberated Italy, and any industrial premises at all in future liberated territory.

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4. The detailed recommendations of the Drafting Committee on these two points appear in the Appendix to the Drafting Committee report. As far as they go, we think they are most satisfactory, and we feel that it is a considerable step forward to have the military clear with AC/AMG before additional steps are taken to requisition, move, or destroy plant and machinery.

5. On the other hand, the representatives of G-4 AFHQ were unable even to discuss the other four paragraphs in the terms of reference. The reason for this inability was very clear; they did not agree with the terms of reference themselves. Our representatives immediately said that if the terms of reference themselves were in question, AFHQ would have to raise that at the Local Resources Board itself, since the Drafting Commitee had not been instructed to change the terms of reference, but only to find some way of implementing them. The status of these four paragraphs, therefore, is still up in the air, at the moment, as indicated by paragraph 4 of the Drafting Committee's Report.

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6. In order to put into practice as soon as possible the procedures summarized in paragraph 3 above, we are taking the following steps:

a) The Industry S/C is preparing a complete inventory of the derequisition cases which the AC should press. The most urgent cases will be put up to the next meeting of the Industrial Coordination Committee, if concurred in by you.

b) Instructions to all AC/AMG representatives in the field, stating the criteria to be used in changing military requests for clearance on proposed requisitions, are now being prepared. These AC instructions cannot, of course, be issued until the Drafting Committee report has been implemented by an AFHQ order along the lines of para ii of the Appendix.

M. G. ANTOLINI
Acting Deputy Chief of Staff
Economic Section

Encl:
Report of Drafting Committee

next meeting to be held Fri. 22 Dec.

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12 Dec 44

SUBJECT: Drafting Committee Report

TO : Industrial Co-ordination Committee

1. The Drafting Committee met on Monday 11 Dec 44 in the AFLRS Conference Room, Rome, to re-draft the proposals submitted as Appendix "A" to the Agenda for the First Meeting of the Industrial Co-ordination Committee.

2. Present:

Major PIERSON	G-4 (A) AFHQ
Lt. Col. SHELDON	G-4 (B) AFHQ
Lt. Col. PRESCOTT	HQ AAI
Mr. CLEVELAND	HQ AC
Mr. VAUGHAN	HQ AC
Maj. MASKREY	HQ AC
Brig. CURRY	AFLRS, AFHQ
Maj. LOUDON	AFLRS, AFHQ
Col. BUTTERWORTH	G-5, AFHQ

3. The Drafting Committee considered the terms of Reference of the Industrial Co-ordination Committee (as approved by AFLR Board) and recommend that Appendix "A" attached be the procedure to implement para 1 (b) and (f) of the terms of Reference.

4. The Drafting Committee were unable to agree an interpretation of para 1 (a) (c) (d) and (e) of the terms of Reference which would permit a procedure acceptable to AFHQ G-4 members.

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INDUSTRIAL COORDINATION COMMITTEE

In order to implement paras (b) and (f) of the terms of reference, the following procedure is recommended by the Drafting Committee:-

A. In liberated Italy

(i) In the case of factories, plants, machinery, warehouses and storage space now occupied or used by the Allied Armed Forces, A.C would make application for de-requisition in the first instance to the military authorities responsible in the area. In the event of a conflict between military and civilian requirements which cannot be resolved between the military commander responsible for military local administration in the area concerned, and the Ac/AMG local representative

a) AC may submit in writing to the ICC through AFLRS complete details of their requirements together with a factual study that supports their claim that the particular property is essential to the civilian economy within the military responsibility. The ~~subcommission~~ submission will include a statement by the local military commander showing cause why the military are unable to accede to the request of AC.

b) ICC will study the case, if necessary by means of an investigating committee, and will submit its findings to AFLRB with recommendations as to the action to be taken.

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(ii) In the case of all other plants and machinery, the following procedure would apply:

a) That instructions be issued by AFHQ that when the Allied Armed Forces propose to requisition factories, plants and machinery,

military and civilian requirements which cannot be resolved between the military commander responsible for military local administration in the area concerned, and the AC/AMG local representative

a) AC may submit in writing to the ICC through AFLRS complete details of their requirements together with a factual study that supports their claim that the particular property is essential to the civilian economy within the military responsibility. The ~~subcommission~~ submission will include a statement by the local military commander showing cause why the military are unable to accede to the request of AC.

b) ICC will study the case, if necessary by means of an investigating committee, and will submit its findings to AFLRB with recommendations as to the action to be taken.

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(ii) In the case of all other plants and machinery, the following procedure would apply:

a) That instructions be issued by AFHQ that when the Allied Armed Forces propose to requisition factories, plants and machinery, warehouses and storage space, or move plant and machinery from requisitioned buildings, the military commander responsible for local administration in the area will consult the AC/AMG representative prior to such action.

b) In the event of aconflict between the military and civil requirements which cannot be resolved locally, the matter will be referred through AFLRS to the ICC.

c) ICC will study the case, if necessary by means of an investigating committee, and will submit its findings to AFLRS recommendations as to the action to be taken.

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APPENDIX "A"

INDUSTRIAL CO-ORDINATION COMMITTEE

CHAIRMAN : Commodore E. W. STONE (USNR).

MEMBERSHIP : CAO, AFHQ or Representative.
Vice-President, Economic Section, ACC.
G-4 (A), AFHQ.
G-4 (B), AFHQ.
G-5, AFHQ.
CE, AFHQ.
C-in-C Med., or Rep.

TERMS OF REFERENCE.

1. To study the military and essential civilian requirements in respect of factories, industrial plant and machinery, warehouses, storage space, all commercial and industrial facilities, and to recommend to the Board:-

(a) An equitable allocation of the capacity of the above between the needs of the Allied Armed Forces and those essential to Italian Civilian economy.

(b) The use, operation and re-allocation where necessary, and requisition of industrial factories, plant, storage space and warehouses, and to decide which of these, if any, should be immune from requisition by the Allied Armed Forces or be de-requisitioned as being essential to Italian Civilian economy.

(c) The control of raw materials, partly finished or finished products which will ensure that the needs of the Allied Armed Forces are met and which will permit of the preservation and/or rehabilitation of essential Italian industry.

(d) A procedure for ensuring that the maximum output if required is obtained from factories operating under military control or under contract to the Allied Armed Forces or under programmes sponsored by ACC and recommended by this Committee.

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necessary to

1. To study the military and essential civilian requirements in respect of factories, industrial plant and machinery, warehouses, storage space, all commercial and industrial facilities, and to recommend to the Board:-

(a) An equitable allocation of the capacity of the above between the needs of the Allied Armed Forces and those essential to Italian Civilian economy.

(b) The use, operation and re-allocation where necessary, and requisition of industrial factories, plant, storage space and warehouses, and to decide which of these, if any, should be immune from requisition by the Allied Armed Forces or be de-requisitioned as being essential to Italian Civilian economy.

(c) The control of raw materials, partly finished or finished products which will ensure that the needs of the Allied Armed Forces are met and which will permit of the preservation and/or rehabilitation of essential Italian industry.

(d) A procedure for ensuring that the maximum output if required is obtained from factories operating under military control or under contract to the Allied Armed Forces or under programmes sponsored by AC and recommended by this Committee.

(e) The importation of such materials as are necessary to permit of the continued operation and/or rehabilitation of those plants essential to meet the needs of the Allied Armed Forces and/or needs of the Italian Civilian economy.

(f) The prohibition/ transfer of plant and machinery from one factory or industry to another, and to enforce such covenant as may be deemed necessary.

(g) Such other matters deriving from the functions of the Committee as may be necessary for the conduct of its business.

2. The Committee may appoint such Sub-Committees as are deemed necessary to operate within the above terms of reference.

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(42)

ALLIED FORCE LOCAL RESOURCES SECTION
A.F.H.Q.

LRS/[illegible]A.

Postal Address :
AFLRS, RAAC, CMP

TEL : ROME 65275

2 December 1944.

11 DEC 1944

KR 13/12

ALLIED FORCE LOCAL RESOURCES (ITALIAN) BOARD

INDUSTRIAL CO-ORDINATION COMMITTEE - MINUTES

1. The first meeting of the Industrial Co-ordination Committee was held at 0900 hrs. on Saturday, 2 DEC 44 in the AFLRS Conference Room, ROME.

Present:-

Cdre. STONE, T.W. (USNR), Chairman.
Vice-President, Economic Section, AC.
G-4 (A), AFHQ.
G-4 (B), AFHQ.

Representatives of:-

G-5, AFHQ.
DE, AFHQ
C-in-C, Med.
CMD, HQ AAI.

In attendance:-

DW, AFHQ.
Chief of Section, AFLRS.
ATWO, 1RB, HQ AAI.
Chief of Staff, HQ AC.
Representatives of Industry Sub-Commission, HQ AC.

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2. The Minutes of the Allied Force Local Resources (Italian) Board Meeting held on 11 NOV 44 were received.

3. The proposals submitted as Appendix "A" to the Agenda were considered together with amendments submitted by HQ AC, and the Committee decided that in view of the many implications involved, Appendix "A" should be passed to a drafting committee consisting of representatives from G-4 (A), AFHQ; G-4 (B), AFHQ; HQ. AC; HQ. AAI, and AFLRS, AFHQ for redrafting and submission to the committee at a

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Present:-

Capt. STONE, E.W. (USSR), Chairman.
Vice-President, Economic Section, AC.
G-4 (A), AFHQ.
G-4 (B), AFHQ.

Representatives of:-

G-5, AFHQ.
CE, AFHQ
C-in-C, Med.
CAO, HQ AAI.

In attendance:-

DM, AFHQ.
Chief of Section, AFLRO.
AGMG, LRC, HQ AAI.
Chief of Staff, HQ AC.
Representatives of Industry Sub-Commission, HQ AC.

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2. The Minutes of the Allied Force Local Resources (Italian) Board Meeting held on 11 NOV 44 were received.

3. The proposals submitted as Appendix "A" to the Agenda were considered together with amendments submitted by HQ AC, and the Committee decided that in view of the many implications involved, Appendix "A" should be passed to a drafting committee consisting of representatives from G-4 (A), AFHQ; G-4 (B), AFHQ; HQ, AC; HQ, AAI, and AFLRO, AFHQ for redrafting and submission to the committee at a later meeting.

4. A proposal submitted by HQ, AC as Appendix "B" for Joint Military/AC participation in the output of certain essential industries was considered. It was agreed that the withdrawal of the paper or its representation should rest upon the receipt of the views of the CAO, AAI; C-in-C Med (if he felt interested), and G-5, AFHQ, whose representatives at the meeting were not prepared to commit their principals, and who were requested to forward the views of

/their.....

HEADQUARTERS
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their principals to AFHQ, for consideration of the Chairman, together with the views expressed at the meeting by G-4 (A), G-4 (B), and CE, AFHQ, who were opposed to the proposition as submitted. Subject to this, it was agreed that bids from HQ, AC for participation in the output of plants being operated by the Allied Armed Forces which would necessitate the employment of additional Armed Forces personnel and facilities, should be handled through normal channels to AFHQ in the form of a clear statement giving :-

(a) the requirements;

(b) the justification for the requirements;

(c) what was additionally necessary to meet the requirements in terms of: (i) men, (ii) materials;

(d) a statement showing (i) what compensating economy in imported materials would result; (ii) what would be the result if the requirements remained unmet.

5. The proposal submitted by HQ, AC as Appendix "D" that a representative of the Italian Government be admitted to membership of the Committee was considered. The Chairman undertook to submit the principle involved to the Political Committee of SACMED.

6. Applications for de-requisition or de-blocking of certain plants were received. AC votes for consideration of the following three cases to be deferred :-

(1) Montecatini - Rieti.

(2) Breda - Coccialonga, Naples.

(3) Ariente Tramviario.

The application in respect of Breda - Dalia Roma was withdrawn in view of a letter from Rome Sector Section, NLAC stating that the release of this plant was agreed.

UK, NG AAI was granted authority, subject to the approval of the Board to operate the S.T.I.M. factory at Florence for the production of bakelite fittings.

Declassified E.O. 12356 Section 3.3/NND No. 785017

(a) the requirements;

(b) the justification for the requirements;

(c) what was additionally necessary to meet the requirements in terms of: (i) men, (ii) materials;

(d) a statement showing (i) what compensating economy in imported materials would result; (ii) what would be the result if the requirements remained unmet.

5. The proposal submitted by HQ, AC as Appendix "D" that a representative of the Italian Government be admitted to membership of the Committee was considered. The Chairman undertook to submit the principle involved to the Political Committee of SACMED.

6. Applications for de-requisition or de-blocking of certain plants were received. AC asked for consideration of the following three cases to be deferred :-

(1) Montecatini - Rieti.

(2) Breda - Cupodichino, Naples.

(3) Lelands Tranviria.

The application in respect of Breda - Costa Rosa was withdrawn in view of a letter from Real Estate Section, MLAC stating that the release of this plant was agreed.

DP, HQ AAI was granted authority, subject to the approval of the Board to operate the S.T.I.M.A. factory at Florence for the production of bazalite fittings.

Consideration of the remaining three cases submitted, namely:-

(i) Breda - Waste Factory, Naples;

(ii) Soc. Lavue - Aripulon;

(iii) Cisa Viscosa, Naples;

was deferred.

It was considered that such applications for de-requisition should be passed by AC to the District, Base Section, area, or equivalent Commander in the first place for his views. In the event of a refusal by him to de-requisition, it would be referred to AFHQ who

/would.....

Declassified E.O. 12356 Section 3.3/NND No. 785017

Declassified E.O. 12356 Section 3.3/NND No. 785017

would arrange for the study and report by an independent officer specially appointed for the task. AFHQ would then submit to the Committee the three papers, namely :-

(a) the request for de-requisition, giving reasons;

(b) the reply by the Commander of the area;

(c) the report of the inspecting officer.

The drafting committee referred to in para 3 above was directed to produce a draft procedure on the above lines for establishing the machinery to handle cases of conflicting views on de-requisitioning.

7. The Committee decided that the applications for fuel, submitted by HQ AC to Coal Section, AFHQ for use in reactivation of civilian factories could be handled by the existing procedure between AC and AFHQ.

8. The Committee recommended to the Board that a representative of the Director of the Royal Engineers' Services, AFHQ be appointed to membership of the Committee.

9. It was decided that the next and future meeting of the Committee would be held in the afternoon preceding the meeting of the AFLR (ITALIAN) Board.

S.J.R. LOUREN, Major,
Secretary,
A. F. L. R. (ITALIAN) Board.

2437

SJRL/GS.

DISTRIBUTION

Copy No:	
1	CAO, AFHQ
2/3	C-in-C, Med
4	Chief Commissioner, AC
5	G-4 (A), AFHQ
6/10	G-4 (B), AFHQ

The drafting committee referred to in para 3 above was directed to produce a draft procedure on the above lines for establishing the machinery to handle cases of conflicting views on de-requisitioning.

7. The Committee decided that the applications for fuel, submitted by HQ MC to Coal Section, AFHQ for use in reactivation of civilian factories could be handled by the existing procedure between MC and AFHQ.

8. The Committee recommended to the Board that a representative of the Director of the Royal Engineers Services, AFHQ be appointed to membership of the Committee.

9. It was decided that the next and future meeting of the Committee would be held in the afternoon preceding the meeting of the AFLR (ITALIAN) Board.

S.J.B. LOUDEN, Major,
Secretary,
A. F. L. R. (ITALIAN) Board.

2437

SJBL/ss.

DISTRIBUTION

Copy No:	
1	CMO, AFHQ
2/3	G-in-C, MOG
4	Chief Secretariat, AC
5	G-4 (A), AFHQ
6/14	G-4 (B), AFHQ
15	G-4 (B), AFHQ (for DMD)
16/17	G-4 (B), AFHQ (Spares)
18/19	G-5, AFHQ
20	OC Coal Section, AFHQ
21	G(Maint), AFHQ
22	G(AE), AFHQ
23	CE, AFHQ
24	DS, AFHQ
25	DST, AFHQ
26	DOS, AFHQ
27	DMS, AFHQ
28	Mineral Director, AFHQ
29	FA, AFHQ
30	CO, MSCUSA
31	G-4, MTOUSA
32	CLO, AMI

/33....

Declassified E.O. 12356 Section 3.3/NND No. 785017

33/34	[illegible], AAF
35	[illegible], AC
36	Vice President, Economic Section, AC
37/38	Economic Section, S., AC
39	Commerce Sub-Commission AC
40	Industry Sub-Commission, AC
41	Chairman Industrial Co-ordination Grp.
41/48	LRG, AGI
49/50	AFIRS, NAPLES AREA
51/52	AFIRS, S.E. AREA
53	AFIRS SICILIAN AREA
54	File
55/80	Spares.

SPECIAL DISTRIBUTION

81	AMTRO/ATO
82	[illegible], II [illegible]
83	Engineer Sect., PBS

Declassified E.O. 12356 Section 3.3/NND No. 785017

Declassified E.O. 12356 Section 3.3/NND No. 785017

406

ALLIED CONTROL COMMISSION
INTER OFFICE MEMO

From: Office of the Chief of Staff.

SUBJECT: Minutes - Industrial Coordination Committee.

FILE No. 4013/34/CCS

8th December, 1944.

TO: DCCS, Economic Section.

The Chief of Staff has seen these papers which appear in order to him. He would like to have your views on them as soon as possible.

P. Russell.
2435
for Chief of Staff.

Rec'd. Ec. Sect. 5:45 P.M., 8 Dec 44

8 Dec
7

Declassified E.O. 12356 Section 3.3/NND No. 785017

4012

HEADQUARTERS ALLIED COMMISSION
Office of the Chief Commissioner
APO 394

EWS/hjp (37)

7 December 1944
8 DEC 1944

SUBJECT: Minutes - Industrial Co-ordination Committee

TO : Chief of Staff, Hq A.C. 32-36

1. The attached seems to be in order but would like you to check and have reviewed by DCOS - Economic Section.

2. Will you also consider with DCOS the designation of the suitable inspecting officer as required under paru 6.

ELLERY W. STONE
Commodore
Chief Commissioner

1 Encl:
Ltr, AFLMS AFHQ, LCS/2194/4
6 Dec 44 (with draft of minutes)

2435

Declassified E.O. 12356 Section 3.3/NND No. 785017

ad 1075
DEC 7 RECD
36

ALLIED FORCE LOCAL RESOURCES SECTION
AFHQ

LRS/219A/4

Postal Address:
AFLRS, RAAC, CMF.

Telephone: ROME 66275

6 Dec 44.

SUBJECT: Minutes - Industrial Co-ordination Committee.

TO: Commodore E. W. Stone, (USNR), Chairman, Industrial Co-ordination Committee.

1. Enclosed herewith is a draft of the Minutes of the Industrial Co-ordination Committee held on 2 Dec 44. 36

2. It would be appreciated if these could be returned as soon as approval phoned possible, with comments if any, so that publication can be effected immediately.

A. A. Curry, Brigadier,
Chief of Section (Dr),
A.F.L.R.S.

SJRL/cws.

2434

URGENT

FILES A

Declassified E.O. 12356 Section 3.3/NND No. 785017

35

DRAFT.

INDUSTRIAL CO-ORDINATION COMMITTEE.

1. The first meeting of the Industrial Co-ordination Committee was held at 0900 hrs. on Saturday, 2 Dec 44 in the AFLRS Conference Room, POME.

Present:-

Cdre. STONE, E. W. (USNR), Chairman.
Vice-President, Economic Section, AC.
G-4 (A), AFHQ.
G-4 (B), AFHQ.

Representatives of:-

G-5, AFHQ.
CE, AFHQ.
C-in-C, Med.
CAC, HQ AAI.

2433

In attendance:-

DM, AFHQ.
Chief of Section, AFLRS.
AQMG, LRS, HQ AAI.
Chief of Staff, HQ AC.
Representatives of Industry Sub-Commission, HQ AC.

2. The Minutes of the Allied Force Local Resources (Italian) Board Meeting held on 11 Nov 44 were received.

3. The proposals submitted as Appendix "A" to the Agenda were considered together with amendments submitted by HQ AC, and the Committee decided that in view of the many implications involved,

G-4 (B), AFHQ.

Representatives of:-

G-5, AFHQ.
CE, AFHQ.
C-in-C, Med.
CAO, HQ AAI.

2433

In attendance:-

DW, AFHQ.
Chief of Section, AFLRS.
AQMG, LRS, HQ AAI.
Chief of Staff, HQ AC.
Representatives of Industry Sub-Commission, HQ AC.

2. The Minutes of the Allied Force Local Resources (Italian) Board Meeting held on 11 Nov 44 were received.

3. The proposals submitted as Appendix "A" to the Agenda were considered together with amendments submitted by HQ AC, and the Committee decided that in view of the many implications involved, Appendix "A" should be passed to a drafting committee consisting of representatives from G-4 (A), AFHQ; G-4 (B), AFHQ; HQ, AC; HQ, AAI, and AFLRS, AFHQ for re-drafting and submission to the committee at a later meeting.

4. A proposal submitted by HQ, AC as Appendix "B" for joint Military/AC participation in the output of certain essential industries was considered. It was agreed that the withdrawal of the paper or its representation should rest upon the receipt of the views of the CAO, AAI; C-in-C Med (if he felt interested), and G-5, AFHQ, whose representatives at the meeting were not prepared to commit their principals, and who were requested to forward the views

FILES A

File 7

Declassified E.O. 12356 Section 3.3/NND No. 785017

34

of their principals to AFLRS, for consideration of the Chairman, together with the views expressed at the meeting by G-4 (A), G-4 (B) and CE, AFHQ, who were opposed to the proposition as submitted. Subject to this, it was agreed that bids from HQ, AC for participation in the output of plants being operated by the Allied Armed Forces which would necessitate the employment of additional Armed Forces personnel and facilities, should be handled through normal channels to AFHQ in the form of a clear statement giving,

(a) the requirements;

(b) the justification for the requirements;

(c) what was additionally necessary to meet the requirements in terms of: (i) men, (ii) materials;

(d) a statement showing (i) what compensating economy in imported materials would result; (ii) what would be the result if the requirements remained unmet.

2432

5. The proposal submitted by HQ, AC as Appendix "D" that a representative of the Italian Government be admitted to membership of the Committee was considered. The Chairman undertook to submit the principle involved to the Political Committee of SACMED.

6. Applications for de-requisition or de-blocking of certain plants were received. AC asked for consideration of the following three cases to be deferred:-

(1) Montecatini - Pieti.

(2) Breda - Canodichino, Naples.

Declassified E.O. 12356 Section 3.3/NND No. 785017

requirements;

(c) what was additionally necessary to meet the requirements in terms of: (i) men, (ii) materials;

(d) a statement showing (i) what compensating economy in imported materials would result; (ii) what would be the result if the requirements remained unmet.

2432

5. The proposal submitted by HQ, AC as Appendix "D" that a representative of the Italian Government be admitted to membership of the Committee was considered. The Chairman undertook to submit the principle involved to the Political Committee of SACMED.

6. Applications for de-requisition or de-blocking of certain plants were received. AC asked for consideration of the following three cases to be deferred:-

(1) Montecatini - Rieti.

(2) Breda - Capodichino, Naples.

(3) Azienda Tramviaria.

The application in respect of Breda - Ostia Rome was withdrawn in view of a letter from Real Estate Section, RAAC stating that the release of this plant was agreed.

DW, HQ AAI was granted authority, subject to the approval of the Board, to operate the S.T.I.M.A. factory at Florence for the production of bakelite fittings.

Declassified E.O. 12356 Section 3.3/NND No. 785017

Consideration of the remaining three cases submitted, namely:-

(i) Breda - Vaste Factory, Naples;

(ii) Soc. Legume - Atripalda;

(iii) Cisa Viscosa, Naples;

was deferred.

It was considered that such applications for de-requisition should be passed by AC to the District, Base Section, Area, or equivalent Commander in the first place for his views. In the event of a refusal by him to de-requisition, it would be referred to AFLRS who would arrange for the study and report by an independent officer specially appointed for the task. AFLRS would then submit to the Committee the three papers, namely:-

(a) the request for de-requisition, giving reasons;

(b) the reply by the Commander of the area;

(c) the report of the inspecting officer.

The drafting committee referred to in para. 3 above was directed to produce a draft procedure on the above lines for establishing the machinery necessary to handle cases of conflicting views on de-requisitioning.

7. The Committee decided that the applications for fuel, submitted by HQ AC to Coal Section, AFHQ for use in reactivation of civilian factories could be handled by the existing procedure between AC and AFHQ.

Declassified E.O. 12356 Section 3.3/NND No. 785017

equivalent [illegible]

of a refusal by him to de-requisition, it would be referred to AFLRS who would arrange for the study and report by an independent officer specially appointed for the task. AFLRS would then submit to the Committee the three papers, namely:-

2131

(a) the request for de-requisition, giving reasons;

(b) the reply by the Commander of the area;

(c) the report of the inspecting officer.

The drafting committee referred to in para. 3 above was directed to produce a draft procedure on the above lines for establishing the machinery necessary to handle cases of conflicting views on de-requisitioning.

7. The Committee decided that the applications for fuel, submitted by HQ AC to Coal Section, AFHQ for use in reactivation of civilian factories could be handled by the existing procedure between AC and AFHQ.

8. The Committee recommended to the Board that a representative of the Director of the Royal Engineers' Services, AFHQ be appointed to membership of the Committee.

9. It was decided that the next and future meetings of the Committee would be held in the afternoon preceding the meeting of the AFLR (ITALIAN) Board.

S. J. B. Louden, Major, DAQME,
Secretary,
A. F. L. R. (ITALIAN) Board.

SJBL/cws.

Declassified E.O. 12356 Section 3.3/NND No. 785017

Declassified E.O. 12356 Section 3.3/NND No. 785017

4012 Cos 4639

ALLIED FORCE LOCAL RESOURCES SECTION
A.F.H.Q.

LRS/220/49.

Postal Address:
AFLRS, RAAC, CMF.

SUBJECT : Industrial Co-ordination Committee.

Telephone: ROME 66275

TO : C-in-C Med, AFHQ.

2 December 1944.

1. Receipt is acknowledged of your AS/607/4/11 dated 25 NOV 44, addressed to the Chairman, Industrial Co-ordination Committee.

2. It is pointed out that all correspondence concerning the AFLR (Italian) Board and any of its Committees should be addressed to the Allied Force Local Resources Section, AFHQ, by whom the secretarial duties are performed. The postal address of AFLRS is given above.

3. The Agenda for the Industrial Co-ordination Comittee is despatched eight days before the date of the meeting and it is hoped that this will permit you to effect such consultation as is necessary.

HEADQUARTERS
3 DEC 1944
A. C.

A.A. CURRY, Brigadier,
Chief of Section (Ar).
A.F.L.R.S.

SJM/dghc

Copy to:- BR, AO (Your 4012/29/005 dated 30 NOV 44 refers).

2430

4012

C-5(1)

RESTRICTED

IRS/219A
NOV 301730

C/2461
AG 011400
IMMEDIATE

FOR INFORMATION ONLY

1 DEC 1944

FROM: AFHQ, MAC

TO: CAC, AFHQ. C-in-C, MED. G-4(A), AFHQ. G-4 (B) AFHQ. G-5 (A) AFHQ. Q (AAIRS), AFHQ. QM COAL SECTION, AFHQ. CE, AFHQ. FISCAL DIRECTOR, AFHQ. FA, AFHQ. CO, MEDUSA. G-4, MEDUSA. AAFEC/MTO. INS, AFHQ. FUEL ENGINEER SECTION. IN, HQ AAI. CAO, HQ AAI

24

~~[illegible]~~

Further to IRS/219A of 28 and IRS/211A of 30. Meeting of Industrial Co-ordination Committee will repeat will take place 0900 hours 2 December. All informed

MAC DIST

CHIEF COMMISSIONER, AC
HQ, AC
VICE-PRESIDENT ECONOMIC SECTION, AC
COMMERCE SUB COMMISSION, AC
INDUSTRY SUB COMMISSION, AC
IRS, HQ AAI
AFIRS NAPLES AREA
AFIRS S.A. AREA
AFIRS BRILLIAN AREA

FILE

ACTION MCON SEC (2)
INFO JS to CC
CHIEF COMMISSIONER
CoS
COMMERCE
INDUSTRY
FILE
FLOAT

2.24

Declassified E.O. 12356 Section 3.3/NND No. 785017

Declassified E.O. 12356 Section 3.3/NND No. 785017

24

~~[illegible]~~

Further to 1[illegible]/219A of 28 and 1[illegible]/211A of 30. Meeting of Industrial Co-ordination Committee will repeat will take place 0900 hours 2 December. All informed

PAAC DIST

CHIEF COMMISSIONER, AC
HQ, AC
VICE-PRESIDENT SCHOPFO SECTION, AC
COMMERCE DEB COMMISSION, AC
INDUSTRY DEB COMMISSION, AC
IND, HQ AAI
AFIRS NAPLES AREA
AFIRS S.E. AREA
AFIRS SHEILDS AREA

DIST

ACTION MDCH SSC (2)
INFO HQ to CC
CHIEF COMMISSIONER
CoS
COMMERCE
INDUSTRY
FILE
FLOAT

2.24

P/A
1/12
1/12

~~RESTRICTED~~

HEADQUARTERS
1 DEC 1944
A.C.S.

Declassified E.O. 12356 Section 3.3/NND No. 785017

50374012 (P.O. S) (30)

~~SECRET~~

FX 60419
NOV 301100A

C/2330
NOV 301310A
URGENT
30 NOV Rec'd

CONFIDENTIAL

FROM: AFHQ SIGNED WILSON CITE FHCAO
TO: HQ ALCOM FOR STONE, AFIRS (RAAC) FOR CURRY, MAIN AAI FOR ROBERTSON

(25)

FOR INFORMATION ONLY

~~SECRET~~

Ref FREEDOM FX 59404 of 28 November.

Confirming conversations CAO AFHQ, CAO AAI, Chief Commissioner AC. Italian Board Meeting and north west ITALY meeting are postponed sine die. New date will be notified later. AFIRS to notify all concerned that Industrial Coordination Committee Meeting will take place 0900 hours 2 December as arranged.

Dist

Action - Econ Sec (3)
Info - S O to Chief Commissioner
C o S (2)
File

P/A
cwl 1/12

HEADQUARTERS
30 NOV 1944
A.C.

2428

~~SECRET~~

Ref FREEDOM FX 59404 of 28 November.

Confirming conversations CAO AFHQ, CAO AAI, Chief Commissioner AC. Italian Board Meeting and north west ITALY meeting are postponed sine die. New date will be notified later. AFIRS to notify all concerned that Industrial Coordination Committee Meeting will take place 0900 hours 2 December as arranged.

Dist

Action - Econ Sec (3)
Info - S O to Chief Commissioner
C o S (2)
File

P/A
1/12

HEADQUARTERS
30 NOV 1944
A.C.S.C.

2428

CONFIDENTIAL

~~SECRET~~

Declassified E.O. 12356 Section 3.3/NND No. 785017

Declassified E.O. 12356 Section 3.3/NND No. 785017

29A

Tel. 491

30 November 1944

Ref. 4012/29/005

SUBJECT: Letter from Office of the C in C, Mediterranean Station, ABWR.

TO : A.V.L.E. S. - RAAC, CMF.

29B

The enclosed letter is passed to Capt. Louden for attention as mentioned on telephone this morning. (Capt. Louden and Capt. Oden speaking.)

Chief Staff Officer,
To the Chief of Staff.

2.27

32

Declassified E.O. 12356 Section 3.3/NND No. 785017

COPY

39B

Office of the Commander-in-Chief,
Mediterranean Station,
Allied Force Headquarters,
25th November, 1944.

Med. 45/607/4/11.
COMMODORE E.W. STONE, U.S.N.R.,
THE CHAIRMAN, INDUSTRIAL CO-ORDINATION COMMITTEE,
ALLIED FORCES LOCAL RESOURCES SECTION,
45-46, VIA DELLE BOTTEGHE OSCURE, ROME.

INDUSTRIAL CO-ORDINATION COMMITTEE OF THE ALLIED FORCES LOCAL RESOURCES (ITALIAN) BOARD

It would be much appreciated if the Agenda for each meeting of the Industrial Coordination Committee could be forwarded as much in advance of the meeting as practicable as consultation will possibly be necessary with officers not at this Headquarters.

COMMODORE ADMINISTRATION

2/24

Declassified E.O. 12356 Section 3.3/NND No. 785017

28

Ref. 4012/28/COS

Tel. 451

30 November 1944

SUBJECT: Cancellation of Meeting - For North West Italy.

TO : DCOS, Civil Affairs Section
DCOS, Economic Section.

1. The special meeting (see our reference 4012/27/COS of 30 Nov 44) called for 1430 hours Saturday, 2 Dec 44 has been cancelled.

Chief Staff Officer,
To the Chief of Staff.

Copy to: Major Quayle
M. Commandant.

Copy filed in 503/COS
adm N.W. Italy

Declassified E.O. 12356 Section 3.3/NND No. 785017

27

HEADQUARTERS ALLIED COMMISSION
APO 394
Office of the Chief of Staff

Tel. 491

30 November 1944

Ref. 4042/27/COS

SUBJECT: Special Meeting - Planning for north west Italy.

TO : DCOS, Civil Affairs Section
DCOS, Economic Section.

1. AMG have called a special meeting, as above, for 14.30 hours, Saturday, 2 Dec 44, under the chairmanship CAO, AMG.

2. The meeting will be held in the main conference room AC HQ.

3. The agenda has not yet been received but will be distributed promptly after arrival.

4. The COS requests the attendance of Brig Lincoln, Mr. Antolini and Mr. Cleveland.

Chief Staff Officer,
to the Chief of Staff.

Copy to: Major Cassyle
HQ Government.

Copy filed in SAB/COS 2.24
also NAF Hist

Declassified E.O. 12356 Section 3.3/NND No. 785017

27

HEADQUARTERS ALLIED COMMISSION
APO 394
Office of the Chief of Staff

Tel. 451

Ref. 4012/27/COS

30 November 1944

SUBJECT: Special Meeting - Planning for north west Italy.

TO : DCOS, Civil Affairs Section
DCOS, Economic Section.

1. AMG have called a special meeting, as above, for 1430 hours, Saturday, 2 Dec 44 under the chairmanship CAO, AMG.

2. The meeting will be held in the main conference room AC HQ.

3. The agenda has not yet been received but will be distributed promptly after arrival.

4. The COS requests the attendance of Brig Upjohn, Mr. Antolini and Mr. Cleveland.

Chief Staff Officer,
to the Chief of Staff.

Copy to: Major Cunyle
HQ Commandant.

Copy pld on 500/COS 2/24
adv NA Italy

4012, 4005 & 503.

SECRET

C.O.S (25)

FX 59404
NOV 281243A

C/2165
NOV 282145A
PRIORITY

CONFIDENTIAL

Flord. AFHQ SIGNED WILSON

CITE: FHCAO

10: ACTION: MAIN AAI FOR CAO, HQ ALCOM FOR STONE, AFLRS ROME 29 NOV Recd

FOR INFORMATION ONLY

~~SECRET.~~

1. Programme meetings ROME agreed Allied Commission, AFHQ and AAI w will now all be on Saturday 2 December, Industrial Coordination Committee 0900 hrs, AFLR board 1100 hrs, special meeting planning for north west ITALY 1430 hrs under chairmanship CAO, AFHQ.

2. For last following requested to attend additional to Reps AFHQ. Reps Allied Commission. CAO AAI and/or Reps. Papers follow. Allied Commission please arrange room and notify concerned at board meeting.

Dist

Action - Econ Sec (3)
Info - S.O. to Chief Commissioner
C o S (2)
File

2423

CONFIDENTIAL

Declassified E.O. 12356 Section 3.3/NND No. 785017

1. Programme meetings RCM agreed Allied [illegible] will now all be on Saturday 2 December, Industrial Coordination Committee 0900 hrs, AFLR board 1100 hrs, special meeting planning for north west ITALY 1430 hrs under chairmanship CAO, AFHQ.

2. For last following requested to attend additional to Reps AFHQ. Reps Allied Commission. CAO AAI and/or Reps. Papers follow. Allied Commission please arrange room and notify concerned at board meeting.

Dist

Action - Loon Sec (3)
Info - S.O. to Chief Commissioner
C o S (2)
File

2423

CONFIDENTIAL

Copies on file 4005/COS AFLR(I)D
& 503/COS also N.W Italy

~~SECRET~~

Declassified E.O. 12356 Section 3.3/NND No. 785017

Declassified E.O. 12356 Section 3.3/NND No. 785017

~~RESTRICTED~~

LRS/219A
NOV 28/1645A

C/2205
NOV 29/0925
IMPORTANT

AFLRS, RAAC

CAO, AFHQ, C-in-C MED, G-4 (A), AFHQ, G-4 (B) AFHQ, G-5 (A) AFHQ, Q(MAINT) AFHQ, QM COAL SECTION AFHQ, CE AFHQ, FISCAL DIRECTOR AFHQ,

++ PA AFHQ, CG MTOUSA, G-4 MTOUSA, AAFSC/MTO, DMS AFHQ, PENBASE ENGINEER SECTION, DW HQ AAI, CAO HQ AAI.

FOR INFORMATION ONLY

~~RESTRICTED~~

Ref LRS 219A dated 22. Meeting industrial co-ordination committee postponed till 0900 hours Saturday 2 December 44. Location unchanged. All informed.

HEADQUARTERS
29 NOV 1944
A. C.

DISTRIBUTION

Info-Action: S.O. to C.C. (2)
Info: CoS
Econ Sec
Industry S/C
Commerce S/C
File

RAAC DIST

Chief Commissioner, AC
HQ, AC.
Vice-President Economic Section, AC.
Commerce Sub-Commission, AC
Industry Sub-Commission AC

ENGINEER SECTION, DY HQ AAI, CAO HQ AAI.

FOR INFORMATION ONLY

(20)

~~RESTRICTED~~

Ref LRS 219A dated 22. Meeting industrial co-ordination committee postponed till 0900 hours Saturday 2 December 44. Location unchanged. All informed.

P/A
29/11

HEADQUARTERS
29 NOV 1944
A. C.

DISTRIBUTION

Info-Action: S.O. to C.C. (2)
Info: CoS
Econ Sec
Industry S/C
Commerce S/C
File

242-

RAAC DIST

Chief Commissioner, AC
HQ, AC.
Vice-President Economic Section, AC.
Commerce Sub-Commission, AC
Industry Sub-Commission AC
LRS HQ AAI.
APLRS NAPLES AREA.
APLRS, S.E. AREA.
APLRS, SICILIAN AREA.

~~RESTRICTED~~

Declassified E.O. 12356 Section 3.3/NND No. 785017

4012

CoS 348

ALLIED FORCE LOCAL RESOURCES SECTION
AFHQ

189/219A.

HEADQUARTERS
25 NOV 1944
A. C.

Postal Address:
AFLRS, FAAC, CMF.

Telephone: ROME 66429

22 Nov 44.

25 NOV Recd

Sum by Capt Cobb.

ALLIED FORCE LOCAL RESOURCES (ITALIAN) BOARD
INDUSTRIAL CO-ORDINATION COMMITTEE

AGENDA

The first meeting of the Industrial Co-ordination Committee will be held at 0930 hours on Friday, 1 Dec 44 in the AFLRS CONFERENCE ROOM, 2nd Floor, 68, PIAZZA DELL'ESERCITO, ROME to consider the following agenda:-

1. To receive the Minutes of the Allied Force Local Resources (Italian) Board Meeting held on 11 Nov 44 establishing the Industrial Co-ordination Committee, its composition and terms of reference, and to consider the method to be adopted to implement the policy laid down in such terms of reference, and in this connection to receive and consider the proposals at Appendix "A" attached.

2. To receive a proposal submitted by HQ, AC for joint Military/AC participation in the output of certain essential industries, at Appendix "B" attached.

3. To receive a proposal submitted by HQ, AC that a representative of the Italian Government be admitted to membership on the Industrial Co-ordination Committee (Appendix "C" attached).

4. To receive applications for the de-requisition or de-blocking of the following plants, brief history sheets being attached at Appendix "D".

(a) Breda - Vesuvio Factory, Naples.
(b) Breda - Ostia, Rome.
(c) Montecatini - Rieti.
(d) Breda - Pozzuoli, Naples.
(e) Azienda Tranviaria.
(f) Soc. Legnae - Atripaldi.

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AGENDA

The first meeting of the Industrial Co-ordination Committee will be held at 0930 hours on Friday, 1 Dec 44 in the AFLRS CONFERENCE ROOM, 2nd Floor, 48, PIAZZA DELL'ESEDRA, ROME to consider the following agenda:-

1. To receive the Minutes of the Allied Force Local Resources (Italian) Board Meeting held on 1 Nov 44 establishing the Industrial Co-ordination Committee, its composition and terms of reference, and to consider the method to be adopted to implement the policy laid down in such terms of reference, and in this connection to receive and consider the proposals at Appendix "A" attached.

2. To receive a proposal submitted by HQ, AC for joint Military/AC participation in the output of certain essential industries, at Appendix "B" attached.

3. To receive a proposal submitted by HQ, AC that a representative of the Italian Government be admitted to membership on the Industrial Co-ordination Committee (Appendix "C" attached).

4. To receive applications for the de-requisition or de-blocking of the following plants, brief history sheets being attached at Appendix "E".

   (a) Breda - Vasto Factory, Naples.
   (b) Breda - Castel, Rome.
   (c) Montecatini - Aletti.
   (d) Breda - Capodichino, Naples.
   (e) Azienda Tramviaria.
   (f) Bod. Legume - Astripaldo.
   (g) C.I.S.A., Pisecca.
   (h) S.T.I.M.A., Florence.

5. To receive applications by HQ, AC to Coal Section, AFHQ for coke, imported and Sardinian Coal, for use in reactivation of civilian factories (Appendix "F" attached).

6. Any other business.

7. To set a date for the next meeting.

2:20

B. J. B. Loudon, Major, DAQMG,
Secretary,
A. F. L. R. (Italian) Board.

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19	HQ, AC.
20	Vice-President, Economic Section, AC.
21	Economic Section, AC.
22	Commerce Sub-Commission, AC.
23	Industry Sub-Commission, AC.
24	Chairman, Industrial Co-ordination Committee.
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(K)

APPENDIX "A"

INDUSTRIAL CO-ORDINATION COMMITTEE

Paper No. 1

In order to implement the approved terms of reference and decide what machinery should be established to permit the Committee to carry out its functions, the following proposals based on the terms of reference are submitted:-

Terms of Reference. Para. 1

(a) To enable the Committee to carry out the provisions of this paragraph it is proposed that all Services be instructed to submit to AMLCS details of all factories, industrial plant and machinery, warehouses and storage space occupied by them, or operated under their control. This information to be obtained on the attached proforma 1.

(b) That section of the terms of reference in this paragraph not covered by the procedure outlined in para. (a), viz., the control of the requisition of industrial factories, plant, storage space and warehouses should be effected by the issue of an Order that before application for the requisition of any of these for operation is made, the approval of the Industrial Co-ordination Committee ratified by the A.F.L.S. (UNRRA) Board must be first obtained.

In forward areas all industrial plants and facilities, and their stocks will be blocked in the first instance by AC/AGS in areas uncovered by the Allied Armed Forces.

The Stores, Materials and Machinery will not be taken out of any industrial unit capable of any type of production until the responsibility for the operation or other disposition of the plant has been taken by the Industrial Co-ordination Committee or its designated agent.

An immediate joint survey will be made of all blocked facilities by Sub-Committees of the Industrial Co-ordination

Terms of Reference. Para. 1.

(a) To enable the Committee to carry out the provisions of this paragraph it is proposed that all Services be instructed to submit to AMLGC details of all factories, industrial plant and machinery, warehouses and storage space occupied by them, or operated under their control. This information to be obtained on the attached proforma 1.

(b) That section of the terms of reference in this paragraph not covered by the procedure outlined in para. (a), viz., the control of the requisition of industrial factories, plant, storage space and warehouses should be effected by the issue of an Order that before application for the requisition of any of these for operation is made, the approval of the Industrial Co-ordination Committee ratified by the A.F.L.C. (TEHRAN) Board must be first obtained.

In forward areas all industrial plants and facilities, and their stocks will be blocked in the first instance by AG/A.G in areas uncovered by the Allied Armed Forces.

The Stores, Materials and Machinery will not be taken out of any industrial unit capable of any type of production until the responsibility for the operation or other disposition of the plant has been fixed by the Industrial Co-ordination Committee or its designated agent.

An immediate joint survey will be made of all blocked facilities by Sub-Committees of the Industrial Co-ordination Committee which will consist of representatives of the Armed and of AG/A.G.

The Sub-Committees will make recommendations in writing through the Secretariat to the Industrial Co-ordination Committee as to the use to which such blocked plant is to be put, and the authority which will be responsible for its operation. Any case of disagreement among the Sub-Committees on such recommendations should be stated.

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Applications for authority to operate will be submitted through AMLGC to the Industrial Co-ordination Committee on the attached proforma 2.

Similar applications by AG for immediate free requisition by the Allied Armed Forces should be submitted likewise.

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(1)

Applications by civilian concerns will be submitted by AC Industry Sub-Commission through APLRS to the Industrial Co-ordination Committee to permit of each case being considered on its merits. The AC procedure on this is attached at Appendix "C".

The Industrial Co-ordination Committee will decide the use and allocation of such plant, and the release will be effected by a release note issued over the signature of the Chief's of Section, APLRS.

The authority responsible for operating a plant will submit monthly reports to APLRS for presentation to the Industrial Co-ordination Committee on the operation and output of the plant.

(c) To enable the Committee to control raw materials, partly finished or finished products it is necessary for the Industrial Co-ordination Committee to recommend to the Board that such of the above be placed on the controlled list as they think are necessary to permit of the preservation and/or rehabilitation of industrial plant. Wherever it is discovered that an item which it is so desired to control is already on the controlled list of another Committee, the Industrial Co-ordination Committee will take precedence over the other Committee for the control of that item and will relegate to the Committee concerned only such quantities as are not required for preservation and/or rehabilitation of industrial plant.

(d) The reports called for in para. (b) above from the authority responsible for operating a plant will enable the Committee to ensure that a maximum output if required is obtained from factories.

(e) In general, the importation of materials will continue to be for the present the responsibility of the interested Service or the controlling organisation, except in those instances where recommendation to the Committee is essential and/or arbitration is necessary. The allocation of coal is a specific example of one such case.

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use and allocation of each plant, and the release will be effected by a release note issued over the signature of the Chiefs of Section, AFLSO.

The authority responsible for operating a plant will submit monthly reports to AFLSO for presentation to the Industrial Co-ordination Committee on the operation and output of the plant.

(c) To enable the Committee to control raw materials, partly finished or finished products it is necessary for the Industrial Co-ordination Committee to recommend to the Board that such of the above be placed on the controlled list as they think are necessary to permit of the preservation and/or rehabilitation of industrial plant. Wherever it is discovered that an item which it is so desired to control is already on the controlled list of another Committee, the Industrial Co-ordination Committee will take precedence over the other Committee for the control of that item and will release to the Committee concerned only such quantities as are not required for preservation and/or rehabilitation of industrial plant.

(d) The reports called for in para. (b) above from the authority responsible for operating a plant will enable the Committee to ensure that a maximum output if required is obtained from factories.

(e) In general, the importation of materials will continue to be for the present the responsibility of the interested Service or the controlling organisation, except in those instances where recommendation to the Committee is essential and/or arbitration is necessary. The allocation of coal is a specific example of one such case.

(f) All plant and machinery should be placed on the controlled list by an Order published through Command channels, and the necessary steps taken by the Italian Government to prohibit the movement of any plant and machinery, except by a release note issued by the Industrial Co-ordination Committee over the signature of the Chiefs of Section, AFLSO.

2.17

(16)

SCHEDULE I to APPENDIX "A"

Name & Address of Plant.....

Date to which Plant
is being run.....

Reconditioned or
under Contract.....

Percentage of output of
Plant being utilized.....

Estimated date of
re-reconditioning or
cessation of use for
military purposes.....

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Date on which Plant
is being put.....

Requisitioned or
under Contract.....

Percentage of output of
Plant being utilised.....

Estimated date of
de-requisitioning or
cessation of use for
military purposes.....

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PROFORMA 2 [illegible]

Attach

M.O.P. [illegible]

1. Application is made for permission to operate the factory of which details are set out on the attached proforma for the purpose of manufacture of

2. The manufactured articles are required for

(a) Operational.

(b) Normal Maintenance.

(c) Stockpiling.

Rank.

Appointment.

(to be signed by head of the Service)

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QUESTIONNAIRE

1. Article or product to be manufactured.

2. Name of Factory proposed.

   Town. Province. Compartment.

3. Quantities per month.

4. Maximum output of factory per month.

5. Is factory occupied by military.

   (a) We are operating it

   or

   (b) for storage or accommodation.

6. Is factory in working order. If not state estimated date on which production could commence.

   (c) Will materials be required to put factory into operation, if so, specify details.

7. Is factory working.

   (a) by military.

   (b) by civilians.

   Will factory be operated.

   (a) by military.

   (b) by civilians.

8. How long will factory be required.

9. What tonnage and types of raw materials are required per month from

   (a) Malaya.

   (b) Imported.

   and what stocks of these materials are held in the factory at present.

10. Can you guarantee their import on military tonnage.

11. Coal or Coke requirements in tons per month.

(a) who are operating it

or

(b) for storage or accommodation.

6. Is factory in working order. If not state estimated date on which production could commence.

(a) Will materials be required to put factory into operation, if so, specify details.

7. Is factory working.

(a) by military.

(b) by civilians.

Will factory be operated.

(a) by military.

(b) by civilians.

8. How long will factory be required.

9. What tonnage and types of raw materials are required per month from

(a) Malaya.

(b) Imported.

and what stocks of these materials are held in the factory at present.

10. Can you guarantee their import on military tonnage.

11. Coal or Coke requirements in tons per month.

Type required:

(a) ex Borneo. (c) [illegible]

(b) Imported. (d) [illegible]

12. Fuel oil requirements in tons per month.

2414

13. (a) Power required in K.W.

(b) Power required in K.W. with a peak load of.....
a graph showing estimated peak loads over 24 hours to be attached.

14. Estimated energy consumption in K.W.H. per week.

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15. Is there any electric 1 power ting plant in working order. (give details)

16. Is sufficient local labour available to run plant efficiently.

17. Where is the nearest alternative factory in Italy (in another town).

18. Is sufficient transport for needs of factory available from

(a) civilian sources.

(b) military sources.

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(a) Military Archives.

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APPENDIX 'B'

INDUSTRIAL CO-ORDINATION COMMITTEE

PAPER No 2. 15 November 1944

ALLIED FORCE LOCAL RESOURCES (ITALIAN) BOARD

INDUSTRIAL CO-ORDINATION COMMITTEE

JOINT MILITARY/AC PARTICIPATION IN THE EFFECT OF ESSENTIAL BUSINESS.

1. Much time and energy of all parties concerned is consumed in the detailed allocation of the output of Italian industrial facilities. Moreover, in many cases the output of these facilities is not used to the full, for the benefit of all claimants, where the claims of the authorities responsible for operating plants do not happen to be as large as the capacity of the plants operated.

2. In the case of some industries, of which cement and steel are notable examples, it is believed to be most efficient to have the best qualified authority operate the rehabilitated plants at capacity, and split the total output among the claimants on a percentage basis. This procedure would have the advantage of making it possible for all claimants for the basic materials to know what quantities of such materials would be available for a month or more in advance, and to make plans for the allocation and use of these materials accordingly.

3. For example, the output from the production of all rehabilitated cement plants, whether resulting from military or AC efforts, should be divided between military and AC claims on the basis of a percentage to be fixed (and changed from time to time in the light of changing conditions) by the Industrial Co-ordination Committee.

4. The Industrial Co-ordination Committee is the logical group to make the overall decisions as to the allocation of output on the basis contemplated in paragraphs 2 and 3. Its percentage allocations could later be translated into specific tonnage allocations by the appropriate Committees of the Local Resources Board (e.g. the Engineering Materials Committee), on the basis of the statements of availabilities from the authorities responsible for plant operation.

Recommendation:

It is recommended that the Industrial Co-ordination Committee consider and where appropriate adopt percentage allocations of the output of basic industries, along the lines of paragraphs 2 and 3 above.

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1. Much time and energy of all parties concerned is consumed in the detailed allocation of the output of Italian industrial facilities. Moreover, in many cases the output of these facilities is not used to the full, for the benefit of all claimants, where the claims of the authorities responsible for operating plants do not appear to be as large as the capacity of the plants operated.

2. In the case of some industries, of which cement and steel are notable examples, it is believed to be most efficient to have the best qualified authority operate the rehabilitated plants at capacity, and split the total output among the claimants on a percentage basis. This procedure would have the advantage of making it possible for all claimants for the basic materials to know what quantities of such materials would be available for a month or more in advance, and to make plans for the allocation and use of these materials accordingly.

3. For example, the output from the production of all rehabilitated cement plants, whether resulting from military or AC efforts, should be divided between military and AC claims on the basis of a percentage to be fixed (and changed from time to time in the light of changing conditions) by the Industrial Co-ordination Committee.

4. The Industrial Co-ordination Committee is the logical group to make the overall decisions as to the allocation of output on the basis contemplated in paragraphs 2 and 3. The percentage allocations could later be translated into specific tonnage allocations by the appropriate Committees of the Local Resources Board (e.g. the Engineering Materials Committee), on the basis of the statements of availabilities from the authorities responsible for plant operation.

Recommendation:

It is recommended that the Industrial Co-ordination Committee consider and where appropriate adopt percentage allocations of the output of basic industries, along the lines of paragraphs 2 and 3 above.

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ANNEX "C"

INDUSTRIAL CO-ORDINATION COMMITTEE

PAPER No. 3.

ALLIED FORCE HEAD QUARTERS (MILITARY) BOARD

INDUSTRIAL CO-ORDINATION COMMITTEE

AFHQ
100 L

21 November 1944.

PROCEDURE OF CIVILIAN REQUESTS FOR
DE-REQUISITIONING OF MANUFACTURING PREMISES

The following procedure will be adopted by A.C. on a standard procedure for handling applications by Italian firms for the de-requisitioning of manufacturing premises:

a. Italian firms will be instructed through publicity that applications for the de-requisitioning of premises will not be received by representatives of the Allied Armed Forces, or by the Allied Commission, but that such application will have to be made through the Italian Ministry of Industry Commerce and Labour.

b. On receipt of such an application, the Minister of Industry, Commerce and Labour will review the case and, if appropriate, make a recommendation thereon to the Allied Commission, through the Industry Sub-Commission.

c. The Allied Commission will review the recommendation of the Ministry in the light of:

1) State of the premises and plant and possibilities of repair or rehabilitation.

2) Essentiality for urgent civilian needs, and

3) Availability of necessary raw materials, electric power, coal, and transportation.

d. The case will then be presented to the Industrial Co-ordination Committee for action on its merits.

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[illegible] PROCEDURE OF CIVILIAN [illegible] FOR DE-REQUISITIONING OF [illegible] PROPERTIES

The following procedure will be adopted by A.C. as a standard procedure for handling applications by Italian firms for the de-requisitioning of manufacturing premises:

a. Italian firms will be instructed through publicity that applications for the de-requisitioning of premises will not be received by representatives of the Allied Armed Forces, or by the Allied Commission, but that such application will have to be made through the Italian Ministry of Industry Commerce and Labour.

b. On receipt of such an application, the Minister of Industry, Commerce and Labour will review the case and, if appropriate, make a recommendation thereon to the Allied Commission, through the Industry Sub-Commission.

c. The Allied Commission will review the recommendation of the Ministry in the light of:

1) State of the premises and plant and possibilities of repair or rehabilitation.

2) Essentiality for urgent civilian needs, and

3) Availability of necessary raw materials, electric power, coal, and transportation.

d. The case will then be presented to the Industrial Co-ordination Committee for action on its merits.

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APPENDIX "B" (10)

INDUSTRIAL CO-ORDINATION COMMITTEE
PAPER NO.4

PARTICIPATION OF ITALIAN REPRESENTATIVES IN THE
INDUSTRIAL CO-ORDINATION COMMITTEE

1. In considering the membership and terms of reference of the Industrial Co-ordination Committee, the question has arisen whether the Italian Ministry of Industry, Commerce and Labour should be represented on the Committee, and if so in what capacity.

2. The Allied Commission believes that participation by the Ministry in the work of the Committee would be helpful to all parties concerned. It is now attempting insofar as possible to carry all governmental functions in the field of industrial production performed by the Italian Executive. If the Italian Government is to assume an increasing measure of responsibility for the Italian economy, it is essential for its representatives to begin to participate in the discussions as to the use of that economy in shortening the war effort and in decreasing the extent to which Italy needs to call on the United Nations for essential civilian supplies. However, it would help the Italian Government and would tend to understand the necessary limitations of supply the transport, and spur them to put forth their best efforts in the development of local resources, if they participated in the determinations on the allocation of the relatively scarce sources that are available.

3. The Allied Commission therefore recommends that a representative of the Italian Government be admitted to membership on the Industrial Co-ordination Committee.

[illegible] Industrial Co-ordination Committee, the question has arisen whether the Italian Ministry of Industry, Commerce and Labour should be represented on the Committee, and if so in what capacity.

2. The Allied Commission believes that participation by the Ministry on the part of the Committee would be helpful to all parties concerned. It is now attempting insofar as possible to have all operational functions in the field of industrial production performed by the Italians themselves. If the Italian Government is to assume its increasing measure of responsibility for the Italian economy, it is essential for its representatives to begin to participate in the discussions as to the use of that economy in furthering the war effort and in determining the extent to which it may needs to call on the United Nations for essential civilian supplies. Moreover, it would help the Italian Government and people to understand the necessary limitations of supply and transport, and spur them to put forth their best efforts in the development of local resources, if they participated in the determinations on the allocation of the relatively meager resources that are available.

3. The Allied Commission therefore recommends that a representative of the Italian Government be admitted to membership on the Industrial Co-ordination Committee.

2.10

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APPENDIX 'B' (a)

Application for Derequisition of Premises for Essential Civilian Use.

FACTORY SHEET

1. Name of Firm [illegible]

2. Location Corso Italia al Vasto, Naples.

3. Product or Service Aeronautic production

4. Present condition of premises or plant Heavily damaged - aerial bombardment.

5. Requisitioned or occupied by Air Force General Depot III

6. For the purpose of main supply depot all Air Forces Western Italy

7. Required by A.C. for reactivation by owners.

8. For the purpose of Clearing up preparatory to production.

9. Requirements to commence production (raw materials, power, labour, etc. -

10. Potential Output -

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3. Product or Service Aeronautic production

4. Present condition of premises or plant Heavily damaged - aerial bombardment.

5. Requisitioned or occupied by Air Force General Depot III

6. For the purpose of main supply depot all Air Forces Western Italy

7. Required by A.C. for reactivation by owners.

8. For the purpose of Clearing up preparatory to production.

9. Requirements to commence production (raw materials, power, labour, etc) -

10. Potential Output -

11. General Remarks AAFSC/ACC oppose de-requisition on the grounds that any part thereof returned will seriously hamper the AAF as present space availability is inadequate.

2404

12. Recommendation of the Committee

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Appendix 'E' (b)

Application for Derequisition of Premises for Essential Civilian Use

HISTORY SHEET

1. Name of firm PAGEA

2. Location Ostia, Rome

3. Product or service Agricultural implements

4. Present condition of premises or plant Slight bomb damage

5. Requisitioned or occupied by MAAC - not occupied by troops

6. For the purpose of

7. Required by AC for reactivation by owners

8. For the purpose of reduction of agricultural machinery

9. Require onto be complete production (raw materials, power, labour etc. 40 Tons Iron and Steel sheets per month - 2,000 welding electrodes, 1 cwt of tool steel, 60 tons of foundry coke, 30 tons pig iron.

10. Potential Output 35 tons per month agricultural machinery.

11. General Remarks Derequisition is opposed by Real Estate Section, MAAC on the grounds that premises will shortly be occupied by troops and vehicles operationally required to be in that area.

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Present condition of premises or plant Slight bomb damage

5. Requisitioned or occupied by RAAF - not occupied by troops

6. For the purpose of

7. Required by AC for reconstruction by owners

8. For the purpose of production of agricultural machinery

9. Requirements to continue production (raw materials, power, labour etc. 40 Tons Iron and Steel Sheets per month - 2,000 welding electrodes, 1 cwt of tool steel, 60 tons of foundry coke, 30 tons pig iron.

10. Potential output 35 tons per month agricultural machinery.

11. General Remarks De-requisition is opposed by Real Estate Section, RAAF on the grounds that premises will shortly be occupied by troops and vehicles operationally required to be in that area.

12. Recommendation of the Committee

2.08

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(1)

Appendix 'E' (c)

Application for acquisition of Premises for Essential Civilian Use

HISTORY SHEET

1. Name of Firm Nissi Sulphuric Acid Plant of Mahleeting.

2. Location NISSI

3. Product or Service Sulphuric Acid

4. Present condition of premises or plant Believed to be in good order.

5. Requisitioned To be operated under D.W.

6. For the purpose of Not known.

7. Required by A.C. for reactivation by owners.

8. For the purpose of Production of Steel.

9. Requirements to commence production (raw materials, power, labour, etc.

10. Potential Output

11. General remarks RQ. 1Mo. District State requisition effected by them at request of ATQ (3624/16(Maint)) only - but as and that plant could be operated by D.W., A.M.I. Information

3. Product or Service Salicylic Acid

4. Present condition of premises or plant Believed to be in good order.

5. Registrations To be operated under D.K.

6. For the purpose of Not known.

7. Required by A.C. for reactivation by owners.

8. For the purpose of Production of Chem.

9. Requirements to commence production (raw materials, power, labour, etc.)

10. Potential Output

11. General remarks NE, No. 3 District state requisition effected by item at request of AMG (CCA4/1(Lu)(b)) dated 2 Oct 44 and that plant should be operated by D.K., A.A.I. Information called for from D.K., AAI 2 Nov 44 but not to hand.

2407

12. Recommendation of the Committee

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(6)

APPENDIX 'B' (d)

Application for Derequisition of Premises for Essential Civilian Use.

QUESTION SHEET

1. Name of Firm. OMGA

2. Location Capodichino, Naples.

3. Product or Service Aviation Assembly Plant.

4. Present condition of premises or plant Not Known

5. Requisitioned or occupied by Air Force General Depot III

6. For the purpose of Main Supply Depot all Air Forces, Eastern Italy

7. Required by A.C. for reactivation purposes by owners.

8. For the purpose of General mechanical repair work to meet civilian needs.

9. Requirements to commence production (raw materials, power, labour, etc.

---

10. Potential Output ---

11. General remarks AAFSC/TO oppose de-requisition of the grounds that any part thereof returned will seriously handicap the AAF as ground availability is inadequate.

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4. Present condition of premises or plant Not known

5. Requisitioned or occupied by Air Force Control Depot III

6. For the purpose of Main Supply Depot all Air Forces, Western Italy

7. Required by A.C. for reactivation purposes by owners.

8. For the purpose of General mechanical repair work to meet civilian needs.

9. Requirements to commence production (raw materials, power, labour, etc.

---

10. Potential output ---

11. General remarks AMG/AO opinion de-requisition on the grounds that any part thereof returned will seriously hamper the AAF as present availability is inadequate.

12. Recommendation of the Committee

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(5)

APPENDIX "A" (a)

Application for Requisition of Premises for Essential Civilian Use.

HISTORY SHEET.

1. Name of Firm Adlerwerk Transmarin.

2. Location Grade Ad Lorem, Neuss.

3. Product or Service Tram repair depot and workshops.

4. Present condition of premises or plant Believed good

5. Requisitioned or occupied by HEER 16 Bade Korporaze.

6. For the purpose of Heavy repairs all A and B vehicles this theatre

7. Required by Civil authorities

8. For the purpose of Construction, maintenance rolling stock tramways and railways.

9. Requirements to commence production (raw materials, power, labour etc ----

10. Potential output ----

11. General remarks Strongly opposed on ABC, ACFI, on the grounds that present work is vital to the Allied armies needs and de-requisitioning will be resisted to the utmost

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4. Present condition of premises or plant Believed good

5. Requisitioned or occupied by RAME 15 Base Workshops.

6. For the purpose of Heavy repairs all a and a vehicles this theatre

7. Required by Civil authorities

8. For the purpose of Construction, maintenance rolling stock tramways and railways.

9. Requirements to commence production (raw materials, power, labour etc ----

10. Potential Output -----

11. General remarks Strongly opposed by DCS, AFHQ, on the grounds that present work is vital to the Allied Armies needs and de-requisitioning will be resisted to the utmost

12. Recommendation of the Committee

2.04

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Appendix 3 (f)

Application for Lorequisition of Premises for Essential Civilian Use

DETAILS SHEET

1. Name of firm Soc. Ligure per l'Industria dell'Acido Tannico

2. Location Atrialco.

3. Product or Service Manufacture of Tanning Extract (Chestnut)

4. Present condition of premises or plant Undamaged. Built in 1940

5. Requisitioned or occupied by Allied Forces

6. For the purpose of Field punishment barracks

7. Required by Owners, under control of Italian Ministry of Industry, Commerce & Labour

8. For the purpose of Resuming manufacture of tanning extract.

9. Requirements to commence production (raw mate rials, power, labour)

etc. No requirements other than raw materials, for which some transport assistance may be necessary. As the raw material is not ever obtained locally, haulage will not be long and to some extent horse drawn vehicles will serve.

10. Potential Output 3,000 kgs. daily of solid 66% T.P.

11. General remarks Correspondingly opposed by C-in-C AFHQ on grounds of amount of R.E. work already carried out in Sardinia and alternative accommodation would entail new works services which cannot be provided in view of other works now in hand.

12. Recommendation of the Committee

(4)

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4. Present condition of premises or plant Undamaged. Built in 1940

5. Requisitioned or occupied by Allied Forces

6. For the purpose of Field punishment barracks

7. Owned by Genoa, under control of Italian Ministry of Industry, Commerce & Labour

8. For the purpose of Manufacture of tanning extract

9. Requirements to commence production (raw materials, power, labour)

etc. No requirements other than raw materials, for which some transport conveyance may be necessary. As the raw material is to be over obtained locally, hulls will not be big, and to some extent horse drawn vehicles will serve.

10. Potential Output 3,000 kgs. daily of solid 66% T.N.

11. General Remarks Does not fall within exposed by U.S.A. A.F. on grounds of amount of R.E. work already carried out & possibilities and alternative accommodation would entail new works services which cannot be provided in view of other works not in hand.

12. Recommendation of the Committee

2:03

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(3)

Appendix E (2)

MEMORY SHEET

1. Name of Firm CIBA VISCOSE

2. Location Bayles

3. Product or Service ------

4. Present condition of premises or plant ------

5. Requisitioned or occupied by French Military

6. Materials and equipment controlled by S.C., FEB

7. Required by ------

8. For the purpose of ------

9. Requirements to commence production (raw materials, power, labour, etc ------

10. Potential output ------

11. General remarks All materials and equipment frozen at request of A.C. pending decision by A.F.L.E. (I) Board as to whether plant and materials shall be transferred from Bayles to some plant to enable reactivation of the latter

12.

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4. Present condition of premises or plant

5. Requisitioned or occupied by French Military

6. Materials and equipment controlled by S.L. FEC

7. Required by

8. For the purpose of

9. Requirements to commence production (raw materials, power, labour, etc

10. Potential output

11. General remarks All materials and equipment frozen at request of A.C. pending decision by A.P.L.E. (I) Board as to whether plant and materials shall be transferred from Naples to some plant to enable reconstruction of the latter.

12. Recommendation of the Committee

2:02

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(1)

APPENDIX 'A' (b)

HISTORY SHEET.

1. Name of Firm S.F.I.M.A.

2. Location Florence

3. Product or Service Bakelite, specialising electrical fittings.

4. Present condition of Premises or Plant Believed good.

5. Requisitioned or occupied by ----

6. For the purpose of ----

7. Required by D.W., AMI

8. For the purpose of Production electric light fittings.

9. Requirements to resume production (raw materials, power, labour etc ----

10. Potential Output ----

11. General remarks Ex AMI requested to submit full details 17 Nov 44, no reply yet received.

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5. Requisitioned or occupied by ----

6. For the purpose of ----

7. Required by D.W., A&I

8. For the purpose of Production electric light fittings.

9. Requirements to commence production (raw materials, power, labour etc ----

10. Potential Output ----

11. General remarks BQ A&I requested to submit full details 17 Nov 44. to reply yet received.

12. Recommendation of the Committee

2:01

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FORM OF WEEKLY PAPER REPORTED COAL DEMAND

NAME, PRODUCT and LOCATION	COAL NEEDED (Tons per month)			[illegible]
	COKE	ST. COAL	BITUMINOUS	
SOLVAY SODA HOSIGNANO ITALY	1500	-	5000	First coal recei[illegible]
MONTECATINI ZINC OXIDE SARDINIA	500	-	-	Working up till [illegible] for the Army to [illegible]
SABLITTA CEMENT (CEMENTIA MERIDIONALE)	-	-	600	In production f[illegible] when there were [illegible] stock of coal.
CARAVIO CEMENT (S.A. CEMENTI DEL SUD)	-	-	450	In production f[illegible] when there were [illegible] stock of coal.
SOC. METALLURGICA G. MORANDI (ACC- [illegible])	400	255	-	Formerly under [illegible]
ARGENTIA (CITRIC ACID) MONTIO, SALERNO	-	-	80	Normally works [illegible] production this [illegible] U.S. Not clear [illegible] coal is wanted.

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ATTACHMENT "C"

SOME ESTIMATES OF NON-SALVADORAN COAL SUPPLIES

PER MONTH (Tons per month)			STATUS
CONE	BITUMINOUS	SUB-BITUMINOUS	
1500	-	8000	First coal reserved for January 1945
600	-	-	Working up Hill Powder to provide material for the Army to make print.
-	-	600	In production for U.S., Hill end of September when there were approximately 1800 tons stock of coal.
-	-	450	In production for U.S., Hill end of September when there were approximately 1000 tons stock of coal.
100	235	-	Formerly under contract to U.S.
-	-	80	Normally used for low - grade, fabulive. Whole production this year said to be for export to U.S. Not clear whether imported or Salvadoran coal is meant.

2'00

2014