

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

ACC

10000/109/787
(VOL. I)

MINUTES
AGREEMENT
JUNE - OCT

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

785017

10000/109/787
(VOL. I)

MINUTES OF JOINT ECONOMIC COMTEE (ARISING FROM
AGREEMENT WITH JUGOSLAVS)
JUNE - OCT. 1945

88

Exline
To: C50 - Rj. 87. for info. Please see
points marked and marginal notes

Emad 21/7

22/9

(89)

Chair Commission

For reading P 87 et fr.

You will see that ADG & Hecous are well
representative in the Committee. But all the

Committee officers to do a k refer 15/11/88

any healthy point!

178 (245)

Noted by CC *[Signature]*

100

Exline

C50- Tol. 90-99. minutes of Oct. meeting of
Jointly E. Com. Venetian Giulia
The meetings seem to be, to a great extent,
occupied with answering comments and
criticisms of the Yugoslav representatives

Emad 25/10

You will see that ADG & Alcorn
 representation in the Committee. But all the
 Committee appear to do is to refer letters
 any body point!

Noted by CC *[Signature]*

100

Ex. Com.
 10-99 minutes of Det. meeting of
 Joint E. Com. Venezuela
 The meetings seem to be, to a great extent,
 occupied with answering complaints and
 criticisms of the Yugoslav representatives

Encl 25/10

3948

[Signature] 2/10

L.H.

In copy file 13

64

S.H. 41017

Exempt Commission

Your attention is drawn to files 36 & the Commission under Min. 57. The only Exempt director in U.S. is in File 50/EC Vol. II at file 187.

It is para 1 sub-para 3 it would appear that the director mentioned has not yet been named - as it states "but the most recent proposed director suggests it." It implies that the Commission had either seen the proposed director or had spoken with somebody regarding it.

C.H. 49

66-

Capt. H. 3947
has list of

65 has been carried out but in
61 been carried out but in

Exe Executive Committee

Your attention is drawn to para 36 & the Comm. comment under Comm. 57. The only Agency Director is V.G. as in the SC/EC Vol. II at para 187. However, from the wording at para 36 para 1 and para 3 it would appear that the Director mentioned has not yet been assigned - as it states "but the next vacant proposed director suggests it". It implies that the Director has either seen the proposed director or has spoken with him regarding it.

OK 4/9

66.

Capt. Huddy

3947
65 Hides. Has instructions

to be seen covered out yet in
report of SC/EC V.G. 53 can copy
to Finance at HPT to SC/EC.

5: 6/9

Ex Comm
CSO

53

Please see 52! and 1. We can't
D.L. Central at work! ¹⁰ ~~11~~

11/8/45.

See 11/8 33:15

I see no reason why SEAC should not
provide occasionally - but we must try to find a

conferment of

11/12/45

Ex Comm

~~56~~ 57

Please see from 56. addressed to you for approval

Chair comments.

CSO 11/8

58

CSO

* When in the AFHQ director mentioned 3844

11/8/45

178712/13

Chao Government details

Ex Comm

57

Please see from 56. address to you for your

main comments.

21/8

58

CSO

* When in the AFHQ director mentioned 3844

178712/18

Ex Comm

60

For your information please see 3844 59.

21/8

61

* I agree. So inform CEA, & R.C. V.C.

178712/18

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So
Chief Commissioner.

AUG 8 1945

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

1
Noted by ^{St.}CC *[Signature]* 8/8

3943

P.S.O.45

Please note folio ⁴⁴39. Cannot understand why Jeyasul
Govt wishes to establish Tourist agencies at this time. Shall not
even copies of min referred to but shall ask Pring Anderson.

SR
20/7

46
~~46~~

CSO I don't understand the note NRCEC
on the pages opposite. Do must clearly be sent
copy of the minutes & E comm sec should
produce.

NR 4/8

CSO47

As requested in min 46 - attached at folio 42 is
copy of minutes of Joint Econ. Comm. of 25 July at Toronto. 3942

CRW 5/1/45

Bu 7/8

49ExCm

As p 40 are the proposals to railways: 4.6
which it was agreed should be submitted to
Attee. There is no mention of Convention or
otherwise with 1.5. a 4 any arrangements regarding
traffic over Hainan line Westwards. 8/8/8.

C.S.O.:

Summary of minutes of third meeting of the Joint Economic Committee, 11 July 45. Hq AMG XIII Corps, Trieste.

1. Priorities of Discharge at Trieste

Yugoslav Delegation asked that priority be given to Yugoslav imports through Trieste over civilian imports to Austria, Hungary and Germany. It was stated that although it would be a long time before such imports would arrive, the Yugoslav Government should make a formal request for this priority to SAC, AFHQ.

2. Fuel and Power Subcommittee

Chairman stated with reference to Arsa Mines that in view of world shortage of coal, any source of coal supply should be exploited to the full and it was regretted that Yugoslavs have decided that British and American experts should not visit mines to advise their governments as to extent of assistance required to bring production up to its old level.

3. Industry & Commerce Subcommittee

It was agreed that where verbal agreements had been made for supply of goods to Yugoslavia and no written contracts signed, copies of relevant correspondence should be submitted to Industry & Commerce S/C for examination.

4. Transportation Subcommittee

a. Anglo-American representatives reported Trieste (Camp-Marzio)-Villa Opicina line was now open.

b. It was agreed that recommendations contained in para 4 of Subcommittee's minutes on administration of railways in Venezia Giulia should be referred to Yugoslav Government and AFHQ for their views before further action were taken by the Joint Economic Committee.

c. Chairman raised the question of a letter written by Chief of Yugoslav Delegation questioning the responsibility of Economic Committee to make decisions in matters affecting receipt of UNRRA supplies in Port of Trieste and their transport from that port. Chairman said the committee was clearly responsible under the terms of Appendix I of the agreement of 20 June. It was then agreed that the only authority to be recognized in connection with operation of the port of Trieste and transportation facilities therefrom would be the Transportation Subcommittee of the Joint Economic Committee.

5. Cased Vehicles - Port of Trieste

It was pointed out that the sudden arrival of 7000 cased vehicles would obstruct the docks and suitable open space in vicinity of docks should be found for an assembly point.

391

up to its old level.

3. Industry & Commerce Subcommittee

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b. It was agreed that recommendations contained in para 4 of Subcommittee's minutes on administration of railways in Venezia Giulia should be referred to Yugoslav Government and AFHQ for their views before further action were taken by the Joint Economic Committee.

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27 July 45

Handwritten signature
A. B. ARVOLDY
Capt, Sp Res

341

Handwritten signature
4-28/7

no. 27.

Executive Commissioner:

1. For the following reasons, I can't agree to the cancellation of Polio ~~24~~ which perhaps I should have signed as Chairman of the Joint Economic Committee and not for the Chief Commissioner:

a. I told you such a letter had been sent at our meeting on the 17th.

b. The running of the railways in Venezia Giulia is the responsibility of the Director, Military Railway Service, who is under the control of AFHQ and in no way responsible to Allied Commission. He has very definite views on this.

c. Any orders required to implement policy must therefore, come from AFHQ and it is clearly their responsibility.

d. The officers who represent the allies on the Transportation Sub-Committee are AFHQ officers and NOT Allied Commission officers.

e. I discussed the whole question with the DAKB and he agreed draft of the letter.

2. I may say that the CAO agrees with POLAD's views. I have no definite views; I simply state in the second paragraph of my letter that a certain implication might be inferred from the proposal to run the railways Venezia Giulia as one unit, and I ask for guidance in para. 1.

20/7/45

D. R. BRADSHAW, Brigadier
Deputy Vice-President
Economic Section

4928.

C. 40

Reference is made to your min 26. I took the up with Brig Anderson who told me exactly what happened 3.1.45

d. The officers who represent the allies on the Transportation Sub-Committee are AFHQ officers and NOT Allied Commission officers.

e. I discussed the whole question with the LARS and he agreed draft of the letter.

2. I may say that the CAO agrees with POLAD's views. I have no definite views; I simply state in the second paragraph of my letter that a certain implication might be inferred from the proposal to run the railways Venezia Giulia as one unit, and I ask for guidance in para 1.

20/7/45

D. R. HARRISON, Brigadier
Deputy Vice-President
Economic Section

28.

L.S.O. Reference is made to your min 26. I took the up with Brig Anderson who told me exactly what was going on in min 27.

21/3/45

29.

Executive Committee

C.S.O.

No further action necessary as policy in minute 26 will be adopted by AFHQ.

18/20/47

21/3/45

650

~~47~~ 25.

For info, file in 24.

S. 8/7/45

~~47~~ 26.

Capt Armadillo

Ref R4.

Endorsed
Show Ender
his minute

NY (187)

- (1) Will you see that San Antonio sent a Signal Cancelling 24. The reason is that at a meeting yesterday between Ed Com, Brig Anderson and Polack an exactly opposite policy was agreed namely that the Venezia Italian Railways be put under a joint Anglo-American hypothecary military control and separate from the Italian state railways. 3339
- (2) Asst Brig Anderson to put up a draft Signal to unscramble AFM to the full consideration on body, the policy stated in labors. Polack should be contacted. 15 R1

5(cont'd)

- or warehouse at Trieste so that wagon supply may be facilitated.
- c. Yugoslav traffic from Trieste will be forwarded in sealed wagons to a transit station.
 - d. Estimates of locomotive and rolling stock requirements will be met jointly by AMF and Yugoslav delegates of Transportation Joint Operating Committee.



A. B. ARNOLDY
Capt. Sp Res

5 July 45

6

C.S.O. 1

Summary of minutes of first meeting of the Joint Economic Committee held on 26 June 45.

On opening the meeting, Brigadier D.L. Anderson requested that the conference should limit its discussions to matters of general policy, that subcommittees be formed and all questions be left to them for arrangement.

Some of the subjects raised and decisions reached are as follows:

- a. Ships laden with UNRRA supplies for Yugoslavia will use Trieste.
- b. Allies to have complete control of port, safeguarding supplies and delivery over Morgan Line.
- c. Yugoslav Govt would nominate one or two agents to represent them in the commercial transactions.
- d. Yugoslavs to arrange a proper balance of rolling stock so supplies could be moved.
- e. Priority questions would receive equal treatment.
- f. Normal organization of port of Trieste to be employed.
- g. Yugoslav contracts entered into would be examined.
- h. No permanent organization will be set up but committees to meet weekly.

3438

...will be left to military committee

Summary of minutes of first meeting of the Joint Economic Committee held on 28 June 45.

On opening the meeting, Brigadier D.L. Anderson requested that the conference should limit its discussions to matters of general policy, that sub-committees be formed and all questions be left to them for arrangement.

Some of the subjects raised and decisions reached are as follows:

- a. Ships laden with UNRRA supplies for Yugoslavia will use Trieste.
- b. Allies to have complete control of port, safeguarding supplies and delivery over Morgan Line.
- c. Yugoslav Govt would nominate one or two agents to represent them in the commercial transactions.
- d. Yugoslavs to arrange a proper balance of rolling stock so supplies could be moved.
- e. Priority questions would receive equal treatment.
- f. Normal organization of port of Trieste to be employed.
- g. Yugoslav contracts entered into would be examined.
- h. No permanent organization will be set up but committees to meet weekly.
- i. The question of booty shall be left to military committees.

Following subcommittees set up: Transportation, Industry & Commerce, Power and Fuel.

[Signature]
R. B. ARNOLDY
Capt. Sp Res

7 July 45

*Rank 40 Very much. Re
Summ. of instructions of business
in all - unimportant. 11/7/45*

C.S.O.:

5

Summary of minutes of the Second Meeting of the Joint Economic Committee held at Hq AMG XIII Corps, Trieste, on 29 June 1945.

1. Fuel & Power Subcommittee

It was agreed:

a. Power

- (i) That Soc. Elettrica della Venezia Giulia continue to be responsible for technical and financial operation of electrical systems in the whole area.
- (ii) Any matters arising affecting supply of electricity shall be referred for settlement to the Subcommittee.
- (iii) Yugoslavs wished to consider further if the above firm would also operate in Venezia Giulia controlled by Yugoslav Government

b. Fuel

It was agreed:

- (i) That a group of mines in Istrian peninsula known as Area Mines would be immediately reactivated and developed
- (ii) A joint committee of Yugoslavs and AMG experts visit area to inspect and report on mines machinery and shipping facilities.
- (iii) Highest priority to be given to all work connected with the restoration of mines.
- (iv) Existing stocks at mines and the output be allocated to consumers by the Joint Yugoslav-AMG Industry & Commerce Subcommittee.

2. Industry & Commerce Subcommittee

Following recommendations approved:

- a. Orders on industries in Venezia Giulia to be made only after approval by the Subcommittee.
- b. Subcommittee to approve all proposed contracts as to terms, prices, etc.

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- (ii) Any matters arising affecting supply of electricity shall be referred for settlement to the Subcommittee.
- (iii) Yugoslavs wished to consider further if the above firm would also operate in Venezia Giulia controlled by Yugoslav Government

b. Fuel

It was agreed:

- (i) That a group of mines in Istrian peninsula known as Arsa Mines would be immediately reactivated and developed.
- (ii) A joint committee of Yugoslavs and AMG experts visit area to inspect and report on mines machinery and shipping facilities.
- (iii) Highest priority to be given to all work connected with the restoration of mines.
- (iv) Existing stocks at mines and the output be allocated to consumers by the Joint Yugoslav-AMG Industry & Commerce Subcommittee.

2. Industry & Commerce Subcommittee

Following recommendations approved:

- a. Orders on industries in Venezia Giulia to be made only after approval by the Subcommittee.
- b. Subcommittee to approve all proposed contracts as to terms, prices, etc.
- c. Contracts can be cancelled only by consent of Subcommittee, 337
- d. Raw material, finance and exchange questions arising from local exchange and trade to be handled by Subcommittee.
- e. One expert may be co-opted by each side of the Subcommittee when necessary.

3. Transportation Subcommittee:

It was recommended:

- a. Anglo-American Port Commandant of Trieste will arrange berthing and working of ships carrying cargo for Yugoslavia on equal terms with other Allied ships.
- b. That the Port Commandant will give maximum possible notice to Yugoslav railway delegate of railway traffic for Yugoslavia, ex-ship

JOINT ECONOMIC DELEGATION
HEADQUARTERS, ALLIED MILITARY GOVERNMENT
XIII CORPS, TRIESTE, ITALY.

19 October 1945.

JOINT ECONOMIC DELEGATION - ITALY

7. The seventh meeting of the Joint Economic Committee was held at 0900 hrs 12 October 1945 in the Main Conference Room at Hq XIII Corps, A.G., TRIESTE.

PRESENT:

Chairman: Brigadier V.H. KITCHIE, U.S.A.,
(D.A.A. G.I.G. 13 Corps).

Members:

Col. A.H. EMBURY.	D.D. Th. Trieste.
Lt. Col. G.M. HUGHES.	Gov & Th. 13 Corps.
Lt. Col. D.S. BICKENSTETH.	Economic Adviser, A.G. 13 Corps.
Lt. Col. A.T. BLAND.	Chief Finance Offr.
Major. J.E. FORBES.	Public Works, A.G. 13 Corps.
Major. R.L. HAYLAND.	Telecom Offr, A.G. 13 Corps.
Dr. KONEZ, B.	Jugoslavia, Chief of Delegation.
PEROVIC J.	Jugoslavia, Commerce.
Ing. DOLGAN, A.	Jugoslavia, Industry.
Ing. ZUMBLER, L.	Jugoslavia, Transport.
URSIC, FRANC.	Jugoslavia, Commercial Rpt.
Ing. NOVACEK, M.	Jugoslavia, Industry.

In attendance:

Ing. SIMONEN, D.	Jugoslavia, Electricity.
KRALIC, S.	Jugoslavia, Finance.

72. MINUTES OF THE SIXTH MEETING.

The minutes of the sixth meeting held on 6 September 1945 were received.

73. TOURIST AGENCIES.

Dr. KONEZ raised the question of tourist agencies pointing out that there were no agencies representing Jugoslavia in Trieste, but there were agencies representing Italy and elsewhere, also owing to the fact that parts of Jugoslavia, notably the Delation Coast, were dependent largely for their livelihood on tourists; the opening of this agency was an important consideration for the first tourists of the future.

Members:

Col. J.H. KAHN.	D.D.M. Trieste.
Lt. Col. G.H. KORN.	Av & En, 13 Corps.
Lt. Col. D.S. BICKENBATH.	Economic Adviser, A.E. 13 Corps.
Lt. Col. J.T. BARD.	Chief Planning Offr.
Major. J.E. FORST.	Public Works, A.E. 13 Corps.
Major. R.H. HARLAND.	Telecom Offr, A.E. 13 Corps.
Dr. KOBE, B.	Jugoslavia, Chief of Delegation.
FRANCIS J.	Jugoslavia, Commerce.
Ing. DOLGALI, A.	Jugoslavia, Industry.
Ing. ZURKAL, A.	Jugoslavia, Transport.
Ing. UPALIC, FRANKO.	Jugoslavia, Commercial Tpt.
Ing. NOVAKIC, M.	Jugoslavia, Industry.
Ing. SEKSEK, D.	Jugoslavia, Electricity.
Ing. KOKLIC, S.	Jugoslavia, Finance.

In attendance:

72. MINUTES OF THE SIXTH MEETING.

The minutes of the sixth meeting held on 6 September 1945 were received.

73. TOURIST AGENCIES.

Dr. KOBE raised the question of tourist agencies pointing out that there were no agencies representing Jugoslavia in Trieste, but there were agencies representing Italy and elsewhere, also owing to the fact that parts of Jugoslavia, notably the Dalmatian Coast, were dependent largely for their livelihood on tourists; the opening of this agency was an important consideration for the first tourists of the future. The Chairman requested that a written report on the matter be sent to the Secretariat. He stated he would pass the information to JPH: if this was unsatisfactory the matter should be passed through diplomatic channels.

74. TELEGRAPH CIRCUIT FROM LA TO POL.

The Telecom Officer of AEG 13 Corps reported that telegraph communications which had broken off in August had not yet been replaced. The hold up in reopening the line appeared to be caused through some difficulty in payments and it was agreed that the matter should be finally cleared up in the next sub-committee meeting.

75. EXPLOSIVES.

The Yugoslav delegation gave a copy of the analysis of the last consignment of explosives supplied, to the Secretariat, and asked that it be recorded that this explosive was not satisfactory.

(PART NOTE)

/It was decided.....

-2-

It was decided that a decision whether or not the explosive be returned rested on whether the price charged would be satisfactory. This was to be investigated.

76. BUS SERVICES.

The Yugoslav delegation pointed out that there were no bus services from ORUJIL to POKONJELA, GRENINO and LUKIL and that this situation was unsatisfactory to the population in parts of Zone 'B'. It was understood that the firm of RAIL, who ran bus routes, were prepared to re-open the service, but were prohibited from doing so. It was pointed out that the reason for this was a shortage of buses available and it was agreed that the matter would be immediately investigated.

77. Attention was drawn to an error in Minute 66, line 2 of the last meeting of the Committee - "alternative" should read "other".

78. FUEL AND POWER SUB-COMMITTEE.

The minutes of the sixth meeting were received.

79. REDJUVELLA - OPICIN, RAILWAY POWER LINE.

Capt. TARKER was contacted, as arranged at the sub-committee meeting., concerning the delivery of poles, and the matter was now in hand.

80. MINUTE BOOKS OF DR. POKELI, OLINDO.

The Yugoslav delegation stated that they were not competent to deal with this matter and that any enquiries should be made through Legal Branch, Yugoslav Military Government.

81. AREA COAL MINES.

(a) The Yugoslav delegation stated that the production from the Area mines was now 500 to 600 tons per day, which would grow daily and would reach the eventual target of 1000 tons per day, but that production is delayed at the present time, one reason being that JMC have refused permission for 300 miners domiciled in Zone 'A' to go to the mines.

The Chairman asked for full details of this refusal of permission to be furnished before the next meeting.

(b) With reference to Minute 35(b) of the Fuel and Power Sub-Committee minutes Dr. KONE stated that as the Yugoslav delegation was fully empowered to answer all questions regarding the Area coal mines, no head should be paid to statements made by any other persons.

(c) The removal of 4000 tons stock.

See
Appendix
H

3934

Last meeting of the Committee - "alternative" should read "other".

78. FUEL AND POWER SUB-COMMITTEE.

The minutes of the sixth meeting were received.

79. RELIABILITY - OFFICIAL RAILWAY POWER LINE.

Capt. TILLYER was contacted, as arranged at the sub-committee meeting., concerning the delivery of poles, and the matter was now in hand.

80. STATEMENTS OF DR. PAVEL, OLINDO.

The Yugoslav delegation stated that they were not competent to deal with this matter and that any enquiries should be made through Legal Branch, Yugoslav Military Government.

81. ARSA COAL MINES.

(c) The Yugoslav delegation stated that the production from the Arsa mines was now 500 to 600 tons per day, which would grow daily and would reach the eventual target of 1000 tons per day, but that production is delayed at the present time, one reason being that JEG have refused permission for 300 miners domiciled in Zone 'A' to go to the mines.

The Chairman asked for full details of this refusal of permission to be furnished before the next meeting.

(b) With reference to Minute 35(b) of the Fuel and Power Sub-Committee minutes Dr. KOME stated that as the Yugoslav delegation was fully empowered to answer all questions regarding the Arsa coal mines, no head should be paid to statements made by any other persons.

(c) The removal of 4000 tons stock.

The removal of this coal by road was not within the competence of the Yugoslav delegation to decide, as it would require a new economic line of communication and permission for the use of British Military transport on roads in Zone 'B', which is prohibited by the Trieste Agreement. Barges up to 500 tons can be used, and 1000 tons was brought by barge on 11 October to Trieste for a private customer. It was decided that the Navy should be informed of this to ascertain if they were prepared to take the risk in mined waters.

(d) Mine clearance.

The Yugoslav delegates requested that an answer should be given to the Yugoslav Military Government letter to XII Corps on the above question. They stated that they were already sweeping mines but considered Anglo-American assistance would be a gesture of good neighbourliness.

/The Chairman.....

See
Appendix
H

3434

-5-

The Chairman stated that he would again give details to AFHQ on this matter and that a reply would be given as Appendix "A" to these minutes.

(c) Request for Allied Yugoslav Delegation to visit Area mines.

Dr. KOBE asked if as the question of the quantity of production had been answered and details given concerning transport, the Anglo-American request to visit the mines still stood, it being considered that confidence between allies on information provided between them should be sufficient.

The Chairman stated that the question still stood and that AFHQ would be informed of their attitude on this point.

Dr. KOBE explained that the power to grant permission would be out of the hands of the Yugoslav delegates and it would be necessary to write direct to the Yugoslav Military Government for permission to visit the mines.

82. INDUSTRY AND COMMERCE SUB-COMMITTEE.

The minutes of the sixth meeting of the Industry and Commerce Sub-Committee were received.

83. POST OFFICE OFFICIALS PERSONAL RECORDS.

These documents are said to be on the way and it was agreed to send them to the Jugoslav Military Government.

84. ILNA CONTRACT.

It was agreed that discussions on this matter should be broken off until the ruling of the War Booty Committee was known.

85. TORADO.

No details had yet been received on this matter. The Yugoslav delegation promised to give information of concerns holding export permits for sale of cigarettes and tobacco so that any negotiations would continue with the knowledge of AFHQ.

86. CRANES.

It was disclosed that no signal had been received from AFHQ concerning the supply of floating cranes to the Jugoslavs. It was pointed out that the NOIC had stated that none were available.

AFHQ was to be asked to expedite its reply.

87. SUPPLY.

The question of the 'Morch' was still unsettled, as the

3933

82. INDUSTRY AND COMMERCE SUB-COMMITTEE.

The minutes of the sixth meeting of the Industry and Commerce Sub-Committee were received.

83. POST OFFICE OFFICIALS PERSONAL RECORDS.

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84. ILVA CONTRACT.

It was agreed that discussions on this matter should be broken off until the ruling of the War Booty Committee was known.

85. TOR-OCO.

No details had yet been received on this matter. The Yugoslav delegation promised to give information of concerns holding export permits for sale of cigarettes and tobacco so that any negotiations would continue with the knowledge of AEF.

86. CRANES.

It was disclosed that no signal had been received from AFHQ concerning the supply of floating cranes to the Yugoslavs. It was pointed out that the NOIC had stated that none were available.

AFHQ was to be asked to expedite its reply.

87. SHIPPING.

'March' The question of the 'March' was still unsettled, as the account for repairs was confused and the cost of repairs to other ships had been included. It was also uncertain where she was at present lying. Lt. Col. BICKLEIGH predicted to investigate this and hand a reply with details to the Yugoslavs between meetings.

'Jenn' This ship is claimed by the French authorities and should therefore pass through the War Booty Committee. Settlement for repairs by the Yugoslavs would then be dealt with between the French and Yugoslav Governments.

'San Giovanni' The identity of this ship which is lying at POLA was to be established and whether or not it was brought into POLA before or after 2 July 1945.

Lt. Col. PHILLIPS promised to undertake this investigation and report findings immediately.

It was agreed that provided identity could be established it could be moved at any time.

/'Italin'.....

-4-
'Italia'. It is arranged that the owners should get in touch with the Yugoslav Military Government concerning collection.

'San Marco'. It was agreed by the Yugoslav delegation that the firm of TRPKOVIC could now salvage this vessel and bring it to Trieste so that it would not break up during the bad weather this winter.

88. In minute 66 (b) of the Sub-Committee Minutes of 2 October it was agreed that 'San Giovanni' should read 'Jean'.

89. COTTON SUPPLIES AT THE COMIZI MILL.

The Yugoslav delegation state that the matter had been taken up with HELGRADE but that no reply had yet been received.

Lt. Col. BICKERTON pointed out that the situation had materially altered owing to the firm having now received supplies of cotton from overseas.

90. FLYER AND FIREWOOD.

Lt. Col. BICKERTON pointed out that Zone 'A' is very short of firewood and that on direction of higher authority he had been instructed to obtain timber from the normal sources of supply for this area which was Zone 'B'. Dr. KOBE explained that Zone 'B' was not as rich in firewood as was imagined, the Fascist policy having been to cut quite indiscriminately and that at present 5 wagon loads per day were being provided from Zone 'B' through an agent. If further quantities were desired it would be necessary to move the wood from GORNA KOTAR by train to FIUME and thence by ship to TRIESTE, which would entail minesweeping.

The Chairman asked if British motor transport could be used but Dr. KOBE stated that this would be impossible.

The Chairman pointed out that as no agreement could be reached, the instruction of higher authority could not be met, but he requested that the Yugoslavs should investigate the possibilities of increased quantities from Zone 'B'.

91. TRANSPORT.

The Minutes of the sixth meeting of the Transport Sub-Committee were received.

92. RAILWAYS.

The Yugoslav delegation considered that all railway services should be restored in Zone 'A' in the spirit of the Trieste Agreement but it was pointed out by Col. ELMERY that there is no obligation on either side for a particular route to be given priority, and that the matter was a question of materials available for the routes which were most important.

...from the ... sources of supply for this area when ... Zone 'B'. Dr. KONE explained that Zone 'B' was not as rich in firewood as was imagined, the Fascist policy having been to cut quite indiscriminately and that at present 5 wagon loads per day were being provided from Zone 'B' through an agent. If further quantities were desired it would be necessary to move the wood from GOROKI KOTAR by train to PILUS and thence by ship to TRIESTE, which would entail unaccepting.

The Chairman asked if British motor transport could be used but Dr. KONE stated that this would be impossible.

The Chairman pointed out that as no agreement could be reached, the instruction of higher authority could not be met, but he requested that the Jugoslavs should investigate the possibilities of increased quantities from Zone 'B'.

91. TRANSPORT.

The Minutes of the sixth meeting of the Transport Sub-Committee were received.

92. RAILWAYS.

The Jugoslav delegation considered that all railway services should be restored in Zone 'A' in the spirit of the Trieste Agreement but it was pointed out by Col. ELMLEY that there is no obligation on either side for a particular route to be given priority, and that the matter was a question of materials available for the routes which were most immediately necessary.

Col. ELMLEY continued that work had already started and would be completed by the first week in November on two bridges on the GORIZIA line. These two bridges were at Km points 50.79 and 68.161.

This would mean that the railway would be through as far as the ISONZO viaduct at Km point 76.650. This viaduct was a big project to mend but was under examination and a report on it would be made later.

Col. ELMLEY stated that the bridge at Km point 80.305 was in Zone 'B' therefore was Yugoslav responsibility. As a matter of information however it was not considered a safe bridge.

Col. ELMLEY further stated that at present it was not possible to mend the line PREV. GALL - GORIZIA without diverting military resources. This line was continually under review however.

/It was submitted that.....

It was sub- (93) noted that the Transport Sub-Committee was not now doing any work which was not within the powers of the Joint Operating Committee. It was therefore agreed to leave the Transport Sub-Committee in a state of "suspended animation" and any decisions for the Joint Economic Committee would be submitted direct from the Joint Operating Committee.

Dr. NOBE wished to record that the Yugoslav delegation was very pleased with the way the Transport Sub-Committee had worked and this point was unanimously agreed.

93. FINANCE.

The minutes of the first meeting of the Finance Sub-Committee were received.

94. BANKS.

The Yugoslav delegation stated that the application to open a Yugoslav State Bank was made on the 7 Aug 45. They asked if a reply to this question could now be given.

Lt. Col. BELARD pointed out that it was understood that the official application had not yet been made and would it be possible to supply a copy of the original application. Mr. BELARD promised it would be supplied immediately.

95. TRANSFER OF BANK BALANCES FROM ZONE 'A' TO ZONE 'B'.

Dr. TOMIC stated that the Yugoslav Financial Sub-Committee had received complaints from several banks in Zone 'B' that they were not receiving drafts of funds from their central banks in Zone 'A' because it still prohibited the transfer of money from Zone 'A' to Zone 'B'.

It was requested that this restriction be removed so that transfer of letters of credit or bills of exchange could be freely practised; it being especially desirable to enable, now and in the future, payments of bills of exchange in Zone 'B' by the agencies in Zone 'A' or in Italy, through their central banks or through other banks.

An example is shown as Appendix 'B' to these minutes.

Col. BELARD stated that this matter would be investigated and that the JEC would work according to the agreement previously reached on banking arrangements.

96. DEPOSITS IN BANKS OF VALLEES OF JAILLED P.C.I.

It was agreed that the Finance Section JEC should write to the Yugoslav Military Government on this matter.

97. THE USE OF BILLS IN PAY FOR ZONE 'B'.

Yugoslav State Bank was made on the 7 Aug 45. They asked if a reply to this question could now be given.

Lt. Col. BELLO pointed out that it was understood that the official application had not yet been made and would it be possible to supply a copy of the original application. Mr. BELLO promised it would be supplied immediately.

95. TRANSFER OF BANK BALANCES FROM ZONE 'A' TO ZONE 'B'.

Dr. TOMIC stated that the Yugoslav Financial Sub-Committee had received complaints from several banks in Zone 'B' that they were not receiving drafts of funds from their central banks in Zone 'A' because they still prohibited the transfer of money from Zone 'A' to Zone 'B'.

It was requested that this restriction be removed so that transfer of letters of credit or bills of exchange could be freely practised; it being especially desirable to enable, now and in the future, payments of bills of exchange in Zone 'B' by the agencies in Zone 'A' or in Italy, through their central banks or through other banks.

An example is shown as appendix 'B' to these minutes.

Col. BELLO stated that this matter would be investigated and that they would work according to the agreement previously reached on banking arrangements.

96. DEPOSITS IN BANKS OF VALUABLES OF ALLIED P.C.F.

It was agreed that the Finance Section AG should write to the Yugoslav Military Government on this matter.

97. THE USE OF MILLS IN POLA FOR ZONE 'B'.

The Yugoslav delegation asked if the mills in POLA were working to capacity. If this was not the case could arrangements be made to undertake work from Zone 'B'. The answer to this question was to be given between meetings.

98. NEXT MEETINGS.

It was agreed that the next meetings will be held as follows :-

Finance Sub-Committee.	6 Nov 45 at 0900 hrs.
Industry and Commerce Sub-Committee.	6 Nov 45 at 0900 hrs.
Fuel & Power Sub-Committee.	7 Nov 45 at 0900 hrs.
Joint Economic Committee.	9 Nov 45 at 0900 hrs.

J. R. SKOTCHDOPOLE,
Major, D.I.G.,
Secretary,
JOINT ECONOMIC COMMITTEE.

-6-

DISTRIBUTION.COPY NO.

1 C.O., AFHQ.
 2 D/C.O., AFHQ.
 3 C-4 (A), AFHQ.
 4 C-4 (B), AFHQ.
 5/6 C-4 (Mov & Trn) AFHQ.
 7/8 C-5, AFHQ.
 9/10 AFHQ, AFHQ.
 11 US PO AD, AFHQ.
 12 RESERV, AFHQ.
 13 Trn (Main), RICE, CLE.
 14 C.O.C., 13 Corps.
 15/17 Da & S.E., 13 Corps.
 18 A.Q.E. (Mov), 13 Corps.
 19 Chief Commissioner, ALOOM.
 20 Hq. ALOOM.
 21/30 Economic Section, ALOOM.
 31 Public Wks & Utilities Sub-Commission,
 32 ALOOM (Attn: Chief, Electrical Division).
 Commerce Sub-Commission, ALOOM.
 (Attn: Coal Division).
 33 Industry Sub-Commission, ALOOM.
 34 Finance Sub-Commission, ALOOM.
 35 American Embassy, RHE.
 36 British Embassy, BELGRADE.
 37 S.C.O., AIG 13 Corps.
 38/39 D/S.C.O., AIG 13 Corps.
 40 Economic Advisor, AIG 13 Corps.
 41 Public Relations Officer, AIG 13 Corps.
 42 Legal, AIG 13 Corps.
 43 Finance, AIG 13 Corps.
 44/45 Supplies, AIG 13 Corps.
 46 Transportation, AIG 13 Corps.
 47 Labour, AIG 13 Corps.
 48 Public Works, AIG 13 Corps.
 49/58 Yugoslav Delegation.
 69 Commerce, AIG 13 Corps.
 70 Capt. PARKER, AIG 13 Corps.
 71 File.

1	C-0, AFHQ.
2	D/C-0, AFHQ.
3	C-4 (A), AFHQ.
4	C-4 (B), AFHQ.
5/6	C-4 (Mov Atn) AFHQ.
7/8	C-5, AFHQ.
9/10	AFHQ, AFHQ.
11	US POW, AFHQ.
12	RES, AFHQ.
13	Tn(Main), RICE, GIP.
14	GOC, 13 Corps.
15/17	D-4, 13 Corps.
18	AFHQ (Mov), 13 Corps.
19	Chief Commissioner, AFHQ.
20	Hq AFHQ.
21/30	Economic Section, AFHQ.
31	Public & Utilities Sub-Commission, AFHQ.
32	AFHQ (Attn: Chief, Electrical Division), AFHQ.
33	Commerce Sub-Commission, AFHQ.
34	(Attn: Coal Division).
35	Industry Sub-Commission, AFHQ.
36	Finance Sub-Commission, AFHQ.
37	American Embassy, RICE.
38/39	British Embassy, BELGRADE.
40	SC-0, AFHQ 13 Corps.
41	D/SC-0, AFHQ 13 Corps.
42	Economic Advisor, AFHQ 13 Corps.
43	Public Relations Officer, AFHQ 13 Corps.
44/45	Legal, AFHQ 13 Corps.
46	Finance, AFHQ 13 Corps.
47	Supplies, AFHQ 13 Corps.
48	Transportation, AFHQ 13 Corps.
49/50	Labour, AFHQ 13 Corps.
51	Public Works, AFHQ 13 Corps.
52	Jugoslav Delegation.
53	Commerce, AFHQ 13 Corps.
54	Capt. PARKER, AFHQ 13 Corps.
55	File.
56	Spares.

91

APPENDIX 'A' TO MINUTES OF THE
SEVENTH MEETING OF THE JOINT
ECONOMIC COMMITTEE.

In compliance with the request submitted by the Yugoslav Delegation - shown as Minute 81 (d) - the Chairman visited AFHQ and fully represented the matter to that HQ.

AFHQ replied that it was doubtful if coal of sufficient quantity to affect the over all export of coal could be secured from the ARSA mines in the foreseeable future. The Allied experts were not satisfied that production could not be increased beyond 1000 tons per day and permission for them to visit the mines had been refused.

AFHQ had no assurance that sweeping the mines and providing shipping would produce any worthwhile allotment of coal. In these circumstances, therefore, the Allied Delegation was authorized to suspend further negotiations but should the Yugoslav Delegation come forward with a plan which appeared practicable, guaranteeing a worth-while supply, the situation should again be referred to AFHQ.

APPENDIX B

EXAMPLE OF COMPLAINT REFERRED TO IN MINUTE 25

Cassa di Risparmio Triestina
General Management.

Trieste.
3rd August, 1945

TO THE CHIEF OF OUR AFFILIATION, POSTUMILA GROVET.

TRANSFER OF BALANCES

Further to our letter of 19 July we confirm that we have asked AIG several times to hasten an answer to our request for permission to transfer the agreed amount of 1,853,323 lire to the "Financial Institute of Slovenia" but without result.

To-day, having the advantage of the presence of your Mr TRAJANIS, we insisted on being received by the Chief Finance Officer of AIG and we were received by him.

The Manager of the Bank of Italy and the Manager of the Cassa di Risparmio and your Mr TRAJANIS took part in the talks. During the talks we again pointed out to the Senior Allied Officer that it was necessary that we should comply with the request of the "Financial Institute of Slovenia" and obtain payment of the agreed amount through this affiliation.

We also requested authority to pay to the "Financial Institute of Slovenia" an amount in proportion to the needs of this affiliation pointing out the needs of our depositors.

We are sorry to have to inform you that the representative of the AIG has flatly refused to authorize our request, pointing out that such transactions are absolutely prohibited. But he added that this matter must be treated directly between the "Financial Institute of Slovenia" and AIG, excluding our Institute which has not any recognised authority to deal in this matter.

All you communicate this to the Representatives of the Yugoslav Military Authority, inviting them to follow the procedure as suggested by

2nd August, 1943

TO THE CHIEF OF OUR AFFILIATION, POSTUMIL GROTE.

TRANSFER OF BALANCES

Further to our letter of 19 July we confirm that we have asked AIG several times to hasten an answer to our request for permission to transfer the agreed amount of 1,853,323 lire to the "Financial Institute of Slovenia" but without result.

To-day, having the advantage of the presence of your Mr THOMAS, we insisted on being received by the Chief Finance Officer of AIG and we were received by him.

The Manager of the Bank of Italy and the Manager of the Cassa di Risparmio and your Mr THOMAS took part in the talks. During the talks we again pointed out to the Senior Allied Officer that it was necessary that we should comply with the request of the "Financial Institute of Slovenia" and obtain payment of the agreed amount through this Affiliation.

We also requested authority to pay to the "Financial Institute of Slovenia" an amount in proportion to the needs of this Affiliation pointing out the needs of our depositors.

We are sorry to have to inform you that the representative of the AIG has flatly refused to authorize our request, pointing out that such transactions are absolutely prohibited. But he added that this matter must be treated directly between the "Financial Institute of Slovenia" and AIG, excluding our Institute which has not any recognised authority to deal in this matter.

All you communicate this to the Representatives of the Yugoslav Military Authority, inviting them to follow the procedure as suggested by AIG.

With regards,

3926

C.32. DI RISE. AMIO TALESTUL

P/vo Pozzo

JOINT ECONOMIC COMMITTEE
MEMBERS, ALLIED MILITARY GOVERNMENT
MIL CORPS, TRIESTE, ITALY.

JOINT ECONOMIC COMMITTEE MEMBERS

6 September 1945.

SEP 13 1945

44. The sixth meeting of the Joint Economic Committee was held at 0900 hours, 6 Sept 45, in the main conference room at Sandquaters, 200 Hill Co., Trieste.

PRESENT

Confirmer :

Brigadier F.L. GIBSON, C.E.E.
(Deputy Vice-President, Economic Section, A.C.C.)

Members :

Col. A.H. EARLEY	D.D. Tr., Trieste.
Lt. Col. G.W. BROWN	Nov & Tr., 13 Corps.
Lt. Col. R.S. BICKERSTON	Economic Adviser, 13 Corps.
Major G.W. HITCH	Mining Division, A.C.C.
Major J.E. FURRIE	Public Works, 13 Corps.
Major R.S. GILLIES	Chief Finance Officer, 13 Corps.
Dr. H.M. HALL	Jugoslavia (Chief of Delegation)
PROVIE, JOM	Jugoslavia (Commerce)
DR. DUGAN, HARRIS	Jugoslavia (Industry)
ZUREN	Jugoslavia (Transport)
PROVIE, JOM	Technical Services
PROVIE, JOM	Jugoslavia (Commercial Transport)
PROVIE, JOM	Jugoslavia (Industry)

De Attendance:

Brig. F.L. GIBSON	D. & Tr., 13 Corps.
Col. G.W. BROWN	Nov & Tr., 13 Corps.
Major G.W. HITCH	Telecom. Officer, 13 Corps.
Major R.S. GILLIES	Jugoslavia (Electricity)
Major J.E. FURRIE	Jugoslavia (Finance)

45. MINUTES OF THE MEETING.

The minutes of the fifth meeting held on 10 Aug 45 were received.

46. FOURTH MEETING.

The minutes of the fourth meeting held on 10 Aug 45 were received.

Chairman: Brigadier D. L. GARDNER, C.B.E.
(Deputy Vice-President, Economic Section, ILO)

Members:

Col. A. S. RABBIT	D.D. Zm., Trieste.
Lt. Col. G. E. BROWN	Nov & Dec, 13 Corps.
Lt. Col. D. A. HICKMAN	Nov & Dec, 13 Corps.
Major G. E. HATCH	Mining Division, ILO.
Major J. A. FORD	Public Works, 13 Corps.
Major A. E. COLLINS	Chief Finance Officer, 13 Corps.
Lt. Col. R. E. ROSE	Jugoslavija (Chief of Delegation)
Mr. PROVIC, JOLA	Jugoslavija (Commerce)
Mr. DUBAN, KAMILIN	Jugoslavija (Industry)
Mr. ZILBER	Jugoslavija (Transport)
Mr. ZILBER	Technical Services
Mr. ZILBER	Jugoslavija (Commercial Transport)
Mr. ZILBER	Jugoslavija (Industry)

In Attendance:

Brig. V. H. MITCHELL	D. & Zm., 13 Corps.
Col. G. E. BROWN	ID M. O. S., 13 Corps.
Major H. A. HICKMAN	Telecom. Officer, 13 Corps.
Mr. STONE, H. A.	Jugoslavija (Electricity)
Mr. LIL, H. A.	Jugoslavija (Finance)

43. MINUTES OF FIFTH MEETING.

The minutes of the fifth meeting held on 10 AUG 45 were received.

46. TOURIST AGREEMENTS.

The Chairman announced that he had noted that due to lack of accommodation, food and transport facilities, and the impracticability of dealing with tourists in zones "A" and "B", or elsewhere in territory occupied by 342 German forces of ILO, the request of the Yugoslav delegation could not be favourably considered. The Yugoslav delegate replied that the establishment of such an agency in Trieste was not only concerned with tourist traffic but essential to them from a commercial aspect. The Chairman instructed the Secretary to write the Chief Yugoslav Delegate stating if it was their desire to take this matter further would they submit their case in writing and in detail to the Secretary.

47...

for M 80 189

(Cross Section)

47. MINUTES OF THE FIFTH MEETING.

The Chairman suggested the Yugoslav delegates that they considered that a decision might be indicated that no participation be requested from the USSR. The Yugoslav delegates held it was not desired to create any rupture in communication at this juncture to take the necessary action forthwith.

*To promise to
return POLA-
Trinita urgent
action im-
mediately*

48. CONFIDENTIALITY OF THE MINUTES.

In order to remove the various difficulties in communication which now exist from time "A" to time "B", it was agreed that the Telecom Officer, and 13 Gage would contact the local technical Yugoslav representative, Ing. SIKOVIC, who would arrange a meeting with a Director of the Postal Services from time "B", in order to take such action as was deemed necessary to normalize the position. The Telecom Officer was requested to keep the Secretariat informed as to progress.

49. MINUTES OF THE FIFTH MEETING OF THE COMMISSION (GENERAL ECONOMIC SOCIETY).

Minutes 42 of the fifth meeting to be amended to read "and countries in time "B" and Yugoslavia".

50. With the above amendment the minutes were then approved.

51. THE A-POWER SUB-COMMITTEE.

The minutes of the fifth meeting were received.

52. THE POWER SUB-COMMITTEE.

The Yugoslav delegate requested that, if possible, an additional quantity of "unclassified" explosives be made available to the use in the war in Milan. The Chairman replied that no further stocks were available in Italy. The Yugoslav representative requested that this matter be further examined.

*no further stocks
of explosives for
use in Milan avail-
able in
Italy*

53. SHIPPING OF POLA.

The Chairman stated that this matter had been referred to the War Shipping Administration in Washington and was at the moment unable to give any information on this subject.

*no info on
the shipping
of POLA
date. 11/1/42*

In order to remove the various difficulties in communication which now exist from room "A" to room "B", it was agreed that the Telecom. Officer, Mr. C. J. Gope should contact the local technical Jugoslav representative, Mr. Sirocki, who would arrange a meeting with a director of the Postal Services from room "B", in order to take such action as was deemed necessary to normalize the position. The Telecom. Officer was requested to keep the Secretariat informed as to progress.

49. MINUTES OF THE FIFTH MEETING OF THE JOINT COMMITTEE.

Minutes 42 of the fifth meeting to be amended to read "and contracts 4, 5, 6, 7, 8 and 9".

50. With the above amendments the minutes were then approved.

51. POSTAL SERVICES COMMITTEE.

The minutes of the fifth meeting were received.

52. TELECOMMUNICATIONS COMMITTEE.

The Yugoslav delegate requested that, if possible, an additional quantity of "enclosed" explosives be made available to the use in the mines, the Chairman replied that no further stocks were available in Italy. The Yugoslav representative requested that this matter be further examined.

*no further stocks
of explosives for
use in mines avail-
able in
Italy*

53. SHIPPING COMMITTEE.

The Chairman stated that this matter had been referred to the War Shipping Administration in Washington and was at the moment unable to give any indication as to this subject.

*no info on
the shipping
space avail-
able. By
USA - Washington*

54. LABOR UNION.

The Yugoslav delegate said that shortly they hoped to supply the information called for.

3924

55. ADMINISTRATIVE.

(a) In reply to the Chairman, the Yugoslav delegate stated that their arm technical expert had not yet arrived in Trieste.

after .../

Rehabilitation
of mines pro-
ceeding

After discussion the Chairman emphasized that the rapid rehabilitation of these mines was of paramount importance. The Yugoslav delegate affirmed that the matter was in hand and proceeding without hindrance and added that the actual quantity available on the grounds at Yac, for shipment to zone "A", was 4,000 tons only.

(b. The Chairman ruled that zone "A" would bid for submersible transport this coal to zone "A", through the normal channels.

56. The minutes of the fifth meeting were then approved.

57. ATTACHED TO MINUTES

The minutes of the fifth meeting were received.

58. CONCLUSIONS

The Chairman said he had been informed by the Chief USSR representative of Belgrade, that the majority of the spinning of cotton for Yugoslavia, was in fact, carried out in zone "A" at Gorizia. The Yugoslav delegate replied that he was not cognizant of this but in negotiation with their examination of the general position they would look into the question.

59. CONCLUSIONS

The Yugoslav delegate raised the question of the apparent priority given to the shipment of Italy over zone "A" and, in regard to the stocks of pig iron at Yac, and requested that from the existing stocks of 15,000 tons, 10,000 tons be released for purchase by the Yugoslav Government, and 5,000 tons to Italian territory.

The Chairman replied that there was no question of priority for Italy, that the pig in question was furnished pig and only suitable for the production of steel, that no further existed in zone "A", that the steel mills in zone "A" were economically inefficient, and in respect of any transaction there was no objection to the Yugoslav authorities entering into a freely negotiated contract for any amount of pig iron, subject to the approval of this Commission.

The Chairman said he was prepared to recommend that zone "A" for amount of steel to pig iron sent into Italy be returned to zone "A" for equitable distribution between zones "A" and "B".

60. CONCLUSIONS

The Chairman read a letter from the Chief Financial Officer, stating that their

matter of pig iron to be negotiated through H.V. Jug.

785017

See a list of the Fifth section were they removed.

57. WYOMING, CO., WYOMING STATE COLLEGE.

the number of visits and more information.

53. $\frac{1}{2} \log_2 2^8 = 4$

The Chairman said he had been informed by the Chief U.S.S.R. representative at Belgrade, that the majority of the opinions of voters for Yugoslavia, was in fact, carried out in some "White Gorilla". The Yugoslav delegate replied that he was not cognizant of this but in connection with their recommendation of the General, Chairman they would look into the question.

59. QINTA, 2013.

The Yugoslav delegate raised the question of the apparent priority given to the "Bregovo" of Italy over those of the "Bregovo" of the Yugoslav Govt., and requested that from the existing stocks of 15,000 tons, 10,000 tons be released for purchase by the Yugoslav Government, and 5,000 tons to Italian territory.

The Chairman replied that there was no question of priority for Italy, that the pig in question was furnished only suitable for the production of steel, that no furnaces existed in some "it", that the steel mills in some "it" were considerably inefficient, and in respect of any transaction there was no objection to the Japanese subscription entering into a freely negotiated contract for any amount of pig iron, subject to the approval of this Assembly.

approval of this Committee.
 The Tribunal said he was prepared to accept that an equivalent amount of steel to pig iron sent into Italy be returned so long as "A" for "equitable distribution between zones "A" and "B", matter of pig iron to be negotiated through H. V. Jug.

50. OFFICE OF ECONOMIC STAFF 1941.

60, CENTRAL EXPRESS CO.

The speaker read a letter from the Chief Financial Adviser, 200 13 Corps, addressed to the Sinyan State Bank stating that their application could be made direct to Allied Military Government, rather than through their agents, the Bank of Italy, that such application should give all information required by the present law and that this would have immediate consideration of Allied Military Government.

100

The Chairman ruled that until this application had been submitted to the competent authorities of both the 13 Corps and this Committee to make a decision. He instructed the Chief Finance Officer to send a copy of the instructions and procedure to the appropriate Yugoslav sources. The Yugoslav delegate requested that until such a decision had been reached the "status quo" remain unchanged and that no kind of work would be placed in their way. The Chairman agreed to this request subject to immediate consideration of the application.

61. YUGOSLAV REPRESENTATIVE'S REQUEST.

(a) The Chairman requested information on a commercial insurance company which had offices in Fiume, some unknown, whose funds have been frozen by the Yugoslav authorities, as a result of which this company is unable to meet its commitments. The Yugoslav delegates had no knowledge of this matter and the Chairman instructed the Chief Finance Officer to obtain details.

(b) The Chief Finance Officer referred to the Yugoslav request that the "status quo" be maintained in both zones and drew the Committee's attention to a recent ordinance published by the Yugoslav Government that had entirely altered the situation in zone "B".

62. STATUS OF THE ZONES.

Since it was understood that the petrol in question was of German origin, the Chairman ruled that the matter should be referred to the War Policy Committee.

63. The minutes were then approved.

64. YUGOSLAV REPRESENTATIVE'S REQUEST.

The minutes of the fifth meeting were received.

65. YUGOSLAV REPRESENTATIVE'S REQUEST.

The Yugoslav delegate pointed out that the section of this line in zone "B" was in working order, and as a result of no through service Corridor was isolated from a rail transportation aspect. The D.B. Co. reiterated that it was not possible at the moment to repair this section on account of other and higher priority work and that the necessary materials were needed elsewhere. The Yugoslav delegate stated that this was not in accordance with the Finance Agreement and

The Chairman

51. Logistics Facilities & Resources

(a) The Chairman requested information on a commercial insurance company with head offices in Rome, name unknown, whose funds have been frozen by the Yugoslav authorities, as a result of which this company is unable to meet its commitments. The Yugoslav delegates had no knowledge of this matter and the Chairman instructed the Chief Finance Officer to obtain details.

(b) The Chief Finance Officer referred to the Yugoslav request that the "status quo" be maintained in both cases and drew the Committee's attention to a recent publication published by the Yugoslav Government that had entirely altered the situation in some "B".

52. REPORT OF PETROV

Since it was understood that the petrol in question was of German origin, the Chairman ruled that the matter should be referred to the War Supply Committee.

53. The minutes were then approved.

54. THE JUGOSLAV DELEGATE'S REQUEST

The minutes of the fifth meeting were received.

55. REPORT OF THE JUGOSLAV DELEGATE

The Yugoslav delegate pointed out that the section of this line in some way was in working order, and as a result of no through service' service was isolated from a full transportation aspect. The D.D. Co. reiterated that it was not possible at the moment to repair this section on account of other and higher priority work and that the necessary materials were needed elsewhere. The Yugoslav delegate stated that this was not in accordance with the interests agreement and again requested that the necessary action be taken. The Chairman instructed that the matter be submitted to JHQ for a ruling.

321

Repair of Gouja. Gouja line in Gouja.
led up for lack of materials. Submitted
to AFHQ for ruling

56.../

65. LONG-TERM OF VIETNAM

Mr. Col. Bickman, 1961, 13, 1961, stated that the bus services in question had not been reopened or alternative services had been inaugurated elsewhere but undertook to examine the matter and give further details to the Yugoslav delegates, between meetings.

67. REPLY OF THE JUGOSLAV DELEGATION TO THE VIETNAM DELEGATION

(a) Mr. T. Thietz, stated that in order to improve the wagon position it had been necessary to delay the arrival of the next U.S. ship from 7th to 5th September, as a result of which the debit balance had been reduced from 700 to 400 wagons. He stressed that unless some wagons were available the quantity of U.S. cargo lifted into Yugoslavia would be restricted and that the present debit balance could not be maintained without prejudice to military traffic.

(b) In reply to a request from the Yugoslav representatives that additional wagons be made available from Italy and other adjacent countries, the Chairman ruled that this application should be referred to the decision. The Yugoslav delegates requested that the normal flow of U.S. cargo be maintained into Yugoslavia and undertook in turn to do all possible to expedite the next round of cargo.

(c) P.D. The expressed his appreciation of the co-operation by the Yugoslav Railway authorities.

68. The minutes were then approved.

69. NEXT MEETINGS

It was agreed that the next meetings will be held as follows:

Transportation Sub-Committee	0930 hrs on 1st Oct.
Finance Sub-Committee	0930 hrs on 2nd Oct.
Industry & Commerce Sub-Committee	0930 hrs on 2nd Oct.
Rail & Inland Sub-Committee	0930 hrs on 3rd Oct.
Joint Economic Committee	0930 hrs on 5th Oct.

positive. It had been necessary to delay the arrival of the next UNRRA ship from 7th to 9th September, as a result of which the debit balance had been reduced from 700 to 400 wagon. He stressed that UNRRA was not going to be available the quantity of UNRRA cargo lifted into Yugoslavia could be maintained and added that the present debit balance could not be maintained without preparation to Military Traffic.

(b) In reply to a request from the Yugoslav representatives that additional wagons be made available from Italy and other adjacent countries, the Chairman ruled that this application should be referred to him for a decision. The Yugoslav delegates requested that the normal flow of UNRRA cargo be maintained into Yugoslavia and undertook in turn to do all possible to expedite the turn round of wagon.

(c) D.D. M. explained his conception of the co-operation by the Yugoslav Railway authorities.

68. The minutes were then approved.

69. NEXT MEETING.

It was agreed that the next meetings will be held as follows:-

Transportation Sub-Committee	0930 hrs on 1st Oct.
Finance Sub-Committee	0930 hrs on 2nd Oct.
Industry & Commerce Sub-Committee	0930 hrs on 2nd Oct.
Rail & Power Sub-Committee	0930 hrs on 3rd Oct.
Joint Economic Committee	0930 hrs on 5th Oct.

REMARKS.

D. F. F. T. THURGOOD,
Major, R.A.F.C.,
Secretary,
Joint Economic Committee.

3929

ADDITION TO THE REPORT OF THE CHIEF JUGOSLAV DELEGATE
 MADE ON 6 MAY 1945 AT LONDON, ENGLAND, AND 13 CORPS, YUGOSLAVIA.

70. PROPOSED ESTABLISHMENT OF A FINANCIAL SUB-COMMITTEE
 TO THE JOINT ECONOMIC COMMITTEE.

It was proposed by the Chief Yugoslav Delegate that the formation of a Finance Sub-Committee to deal exclusively with financial matters should be approved by this Committee. After discussion, it was unanimously approved and agreed that the membership should be limited to four and the following were nominated:

Chairman :	Major G.A. COLLINS, Chief Finance Officer, AGS 13 Corps.
Members :	Lt. Col. D.S. DICKENSHILL, Procurement Adviser, AGS 13 Corps. RECTOR, DEON - Jugoslavie.

The fourth member to be nominated in this course by the Chief Yugoslav Delegate.

It was proposed by the Chief Yugoslav Delegate that the formation of a Finance sub-Committee to deal exclusively with financial matters should be approved by this Committee. After discussion, it was unanimously approved and agreed that the membership should be limited to four and the following were nominated:

<u>Chairman</u>	:	Major G.A. COLLINS, Chief Finance Officer, AG 13 Corps.
<u>Members</u>	:	Lt. Col. D.S. WINTERBURN, Provost Officer, AG 13 Corps. WARREN, BECK " Jugoslavia.

The fourth member to be nominated in the course by the Chief Yugoslav Delegate.

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COPY NO.

1. C.O., JHQ.
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6. C-5, JHQ.
7. J.F.S., JHQ.
8. 9/20.
9. US POLAD, JHQ.
10. RESID, JHQ.
11. Jn (Main), Hano, G.N.
12. G.O.S., 13 Corps.
13. D. & G., 13 Corps.
14. JMG (Nov), 13 Corps.
15. Chief Commissioner, JHQ.
16. JHQ.
17. Economic Section, JHQ.
18. Public Works & Utilities Sub-Commission.
19. JHQ (J): Chief, Electrical Division, Overseas Sub-Commission, JHQ.
20. (JHQ: Coal Division, Electricity Sub-Commission, JHQ.
21. Finance Sub-Commission, JHQ.
22. American Embassy.
23. British Embassy.
24. JHQ 13 Corps.
25. JHQ 13 Corps.
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JOINT COMMISSION ON
AT HAMBURG, ALLIED MILITARY GOVERNMENT,
ALLIED CORPS, TRIESTE, ITALY.

3 September 1944.

JOINT COMMISSION ON
AT HAMBURG

SEP 13 1944

The sixth meeting of the Joint Economic Committee (per agreement of 20th June 1945, between the Supreme Allied Commander Mediterranean Theatre of Operations and the Supreme Commander of the Yugoslav Army, will be held at 0900 hours on Thursday, 6 Sept. 1945, in the Main Conference Room, No. 65, Headquarters ICG XIII Corps, Trieste, to consider the following agenda :-

1. Minutes of the fifth meeting held on 10 August 1945.
2. To consider the minutes of the meetings of the following Sub-Committees:
 - (a) Fuel & Power Sub-Committee meeting of 4 Sept 1945.
(Appendix "A")
 - (b) Commerce & Industry Sub-Committee meeting of 4 Sept 1945.
(Appendix "B")
 - (c) Transportation Sub-Committee meeting of 3 Sept 1945.
(Appendix "C")
3. Any other business.
4. To set a date for the next meeting.

See Appendix
A, B, C

SEP 19 1945

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Conclusões :-

- any other business.

we used a data for the past months.

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Attestments :

[illegible]

(Cats Answer)

CAPITAL

REF NO. 19

JOINT ECONOMIC COMMISSION
HEADQUARTERS, ALLIED MILITARY GOVERNMENT
XIII CORPS, TRIESTE, ITALY

4 SEPT 45

JOINT ECONOMIC COMMISSION

Fuel & Power Sub-Committee - Minutes.

22. The fifth meeting of the Fuel & Power Sub-Committee was held at 1500 hours on THURSDAY, 4 SEPT 45, in the 3110 G KILL Corps, Trieste.

PRESENT.

Chairman	Major J.A. SCOTT, MG XIII CORPS.
Members	Major G.P. HITCH Ing. KOMNIK, VIKTOR Ing. DOLOZ, M.
In attendance	Ing. SKROBNIK Jugoslavia (Electrical rep)

23. The minutes of the previous meeting were received and approved.

24. SUB-DIRECTOR OF ALLIED FORCES, FUEL & POWER.

The Chairman was pleased to report the safe conduct of money due to SELVAG in Trieste, from FUMS. The Yugoslav Delegates stated that 839,557 lire due to SELVAG for power supplied to RRA lines during May, June and July 1945 had been sent to FUMS for SELVAG to collect.

25. RECOMMENDATION ON RRA FUEL.

The Chairman stated that a request had been received from RRA for 10,000 - 12,000 KW of electric power with a monthly consumption of 4,000,000 - 5,000,000 kWh. The Power Company had informed him that their transformer in Opicina was being repaired and that until October only 4,000 to 5,000 KW could be supplied. He added that in the past six years an average of 5,000 KW had produced 750,000 - 1,000,000 tons of coal per year, therefore the present limit of 5,000 KW should not create any difficulties.

The Yugoslavs stated that they have their own small power plant of 3,000 KW but this would not be repaired until October. The Chairman stated he was quite sure that no hardship could be felt in the interim period.

The Yugoslav delegates asked that 10,000 KW be made available after 1st October and the Chairman replied that this could be supplied for

- Members: Major O.P. H.T.G. ... Mining Div., ...
 Dr. KOTLIK, VILKOR ... Jugoslavians (Industry,
 Dr. DOLAK, M. ... " (Commerce,
 In attendance: Ing. SLODKE ... Jugoslavians (Electrical Rep.)
23. The minutes of the previous meeting were received and approved.
24. REPORT ON THE WORK OF THE BELUGO POWER PLANT FOR THE YEAR 1945.
 The Chairman was pleased to report the safe conduct of money due to BELUGO in Trieste, from June. The Yugoslav Delegates stated that 839,557 lire due to BELUGO for power supplied to J.S.S. mines during May, June and July 1945 had been sent to Trieste for BELUGO to collect.
25. REPORT ON THE WORK OF THE BELUGO POWER PLANT FOR THE YEAR 1945.
 The Chairman stated that a request had been received from J.S.S. for 10,000 - 12,000 Kw of electric power with a monthly consumption of 4,000,000 - 5,000,000 Kw. The Power Company had informed him that their transformer in Spicolas was being repaired and that until October only 4,000 to 5,000 Kw could be supplied. He added that in the past six years an average of 5,000 Kw had produced 750,000 - 1,000,000 tons of coal per year, therefore the present limit of 5,000 Kw should not create any difficulties.
- The Yugoslavs stated that they have their own small power plant of 3,000 Kw but this would not be repaired until October. The Chairman stated he was quite sure that no hardship would be felt in the interim period.
- The Yugoslav delegates asked that 10,000 Kw be made available after 1st October and the Chairman replied that this could be supplied for producing coal, when the transformer is repaired.
- The Yugoslavs stated that the three power plants at the mines are in the following condition:-
- 1, One of 1,000 Kw which can be put to work when necessary.
 - 2, One of 3,000 Kw, will be repaired by 1st Oct 1945.
 - 3, One of 10,000 Kw which has been destroyed by bombing.

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-2-

26. ITALY(a. Explosives)

The Jugoslav delegates were informed that 3 tons of "permitted" explosives had arrived. The Jugoslavs stated that the 2 tons of explosives they had requested were not "permitted" explosives.

(b. The Jugoslav delegates regretted that the U.S. coal export had not arrived and suggested that if he arrived on the following day the meeting be continued in order that he could give the necessary information with regard to the IREX mine. Meanwhile they could give no further news of IREX.

27. ITALY 20 ITALY 20 ITALY 20 ITALY

With regard to the further 20 tons of "permitted" explosive requested at the last meeting, Major Hatch stated that all the surplus explosives available to the Allies in Italy had been handed over to UNREP, to whom application should be made.

The Jugoslavs then asked if ammonium nitrate could be made available. Major Hatch replied that the Allies had no supplies available in Italy.

28. SHIPPING

With regard to the 3,000 tons of shipping space required by the Jugoslavs, Major Hatch stated that a ruling had been requested from higher authority. His reply had yet been received but a reply was expected before the meeting of the Joint Economic Committee on 6th September, 1945.

29. ITALY ITALY

The Italian asked for the following information required by UNREP regarding the I.C.I.S.A. (oil refinery at Pines):

1. Is the above-named refinery in working order?
2. If so, is it working and to what percentage capacity?
3. If not, what materials are required to put the plant in running order?

The Jugoslav delegates stated that it had been destroyed, but they undertook to obtain the necessary information as soon as possible.

30. The meeting was adjourned at 1:00 hours and arrangements made to re-open it if the IREX export arrived on the morning.

[Signature]
L. D. F. T. TRUSSELL

With regard to the further 20-ton of "permitted" explosive requested at the last meeting, Major Hatch stated that all the surplus explosives available to the Allies in Italy had been handed over to USRA, to whom application should be made.

The Jugoslavs then asked if ammonium nitrate could be made available. Major Hatch replied that the Allies had no supplies available in Italy.

28. SHIPPING MATTER

With regard to the 3,000 tons of shipping space requested from higher authority, Major Hatch stated that a ruling had been requested from higher authority. He could not yet be recalled but a reply was expected before the meeting of the Joint Economic Committee on 6th September, 1945.

29. LIVESTOCK

The Livestock asked for the following information required by USRA regarding the Livestock: Oil refinery at Piana:-

1. Is the above-mentioned refinery in working order?
2. If so, is it working and to what percentage capacity?
3. If not, what materials are required to put the plant in running order?

The Jugoslav delegates stated that it had been destroyed, but they undertook to obtain the required information as soon as possible.

30. The meeting was adjourned at 1000 hours and arrangements made to re-open it if the above report arrived on the morrow.

[Signature]
D. P. S. TRUSSELL,
Major, USRA,
Secretary,
Joint Economic Committee.

DEPT/USRA

(78)

MEMORANDUM TO THE JUDICIAL COMMITTEE OF THE HOUSE OF REPRESENTATIVES
SEPTEMBER 1, 1945

31. The meeting was re-opened at 11.00 hours 5 SEPT 1945.

32. THE MINES.

(a) The Yugoslav delegates suggested that their expert from Iran would not be able to attend and stated that the Iran mine was working, but they were unable to give any further details.

(b) Major Hatch asked if the Yugoslav representatives would supply information concerning the state of the Iran Port, so that shipping could be sent to lift coal for consumption in Zone "A". The Yugoslav representatives reiterated their previous statements at the fourth meeting of this Sub-Committee, namely that 4/5,000 tons of coal was now available on the quayside at Zanzibar, shipping that would enter the port was limited to a capacity of 500 tons, rate of loading was 150 tons per hour, mine sweeping was proceeding and that all future relevant information would be placed before this Sub-Committee, concerning both the Port and the mines.

(c) It was agreed to submit the following recommendation to the Joint Economic Committee:-

"That as only schooners could in fact operate in the Port of Zanzibar arrangements should be made in Trieste for schooners to be chartered to lift the tonnage of coal referred to in sub-para (b), above, for consumption in Zone "A". "

(d) Major Foden asked if the Iran mine management would prefer an additional 2-ton of "permitted" explosive to the 2-ton already supplied, or if the 2-ton would be returned and a full 3-ton of "permitted" explosives supplied. It was arranged that this would be settled when the explosive was collected. The Yugoslav delegates agreed to arrange the collection as soon as possible.

31. The meeting was re-opened at 11.00 hours 5 SEPT 1945.

32. AFSA MEMO.

(a). The Yugoslav delegate regretted that their export from Arsa would not be able to attend and stated that the Arsa mine was working, but they were unable to give any further details.

(b). Major Hinch asked if the Yugoslav representatives would supply information concerning the status of the Arsa Port, so that shipping could be sent to lift coal for consumption in Zone "A". The Yugoslav representatives reiterated their previous statements at the fourth meeting of this Sub-Committee, namely that 4/5,000 tons of coal was now available on the quayside at Arsa, shipping that would enter the port was limited to a capacity of 500 tons, rate of loading was 150 tons per hour, mine sweeping was proceeding and that all future relevant information would be placed before this Sub-Committee, concerning both the port and the mines.

(c). It was agreed to submit the following recommendation to the Joint Economic Committee:-

"That as only schooners could in fact operate in the port of Arsa arrangements should be made in Trieste for schooners to be chartered to lift the tonnage of coal referred to in sub-para (b), above, for consumption in zone "A".

(d). Major Polan asked if the Arsa mine management would prefer an additional 3-ton of "permitted" explosive to the 2-ton already supplied, or if the 2-ton would be returned and a full 5-ton of "permitted" explosives supplied. It was arranged that this would be settled when the explosive was collected. The Yugoslav delegates agreed to arrange the collection as soon as possible.

3913

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- 5 Director, Public Wks & Utilities
Sub-Commission, HQ ALCOA.
- 6 Coal Division, Commerce Sub-Commission,
HQ ALCOA.
- 7 Industry Sub-Commission, HQ ALCOA.
- 8 Public Safety Office, AG 13 Corps.
- 9 File
- 10/100 Agenda - Joint Economic Committee Meeting.

APPENDIX "B"

REF ID: A66192

JOINT ECONOMIC COMMITTEE
HEAD QUARTERS, ALLIED MILITARY GOVERNMENT,
KILK CRUISE, WILSON, TEXAS.

4 SEPT 45.

JOINT ECONOMIC COMMITTEE
Industry & Commerce Sub-Committee - Minutes.

38. The fifth meeting of the Industry & Commerce Sub-Committee was held at 0930 hours on THURSDAY, 4 SEPT 45, in the Economic Section Conference Room, at HQ 1st Air Corps, Toledo.

PRESENT

Chairman - Lt. Col. D.S. PETERBACH, HQ 1st Air Corps.

Members - Major K.G. COLLINS
Major H.G. BRIDGEMAN

Dr. JONES, SOLO
PROVOC, JOEL
L.S. KOEHLER, VENDOR
L.S. DOLGOS, MARIJAN
EDV. CLY, N.A.A.

- C.S.O., HQ 1st Air Corps.
- Chief Industry Officer,
HQ 1st Air Corps.
- Yugoslavia (Chief of Delegation,
Yugoslavia (Commerce)
- Yugoslavia (Industry,
Yugoslavia (Industry,
Yugoslavia (Industry,

In Attendance - Major OSKIN
RENNIS, BLACK
Dr. TOMKIC, PLANE

- Finance, HQ 1st Air Corps.
- Financial advisers to
- Yugoslav delegation.

39. MINUTES OF THE FOURTH MEETING.

The minutes of the fourth meeting were received and approved.

40. MEMBERSHIP.

The following changes of membership were notified and approved by this Sub-Committee :-

Major H.B. BRIDGEMAN, Chief Industry Officer, substituted
for Major ROGER.
Major K.G. COLLINS, Chief Finance Officer, substituted
for J.L. TUCKER.

38. The fifth meeting of the Industry & Commerce Sub-Committee was held at 0930 hours on THURSDAY, 4 SEP 45, in the Economic Section Conference Room, at Hq. 3rd XIII Corps, Trieste.

PRESENT

<u>Chairman</u>	Lt. Col. D.S. FINKERTH, HQ 1st XIII Corps.
<u>Members</u>	- C.S.O., HQ 1st XIII Corps. - Chief Industry Officer, HQ 1st XIII Corps. - Yugoslav (Chief of Delegation, Yugoslavia) - Yugoslav (Commerce) - Yugoslav (Industry) - Yugoslav (Industry) - Yugoslav (Industry)
<u>In Attendance</u>	- Dr. ZORA, BOLO - PROVIC, JOZA - Ing. KOVAC, VIKTOR - Ing. DOKAL, MARIJAN - NOVACIC, RAL. - Major GILM - BARBAR, SLON - Dr. TOMCIC, BORO - Finance, HQ 1st XIII Corps. - Principal advisers to Yugoslav delegation.

39. MINUTES OF THE FOURTH MEETING

The minutes of the fourth meeting were received and approved.

40. AGENDA

The following changes of membership were notified and approved by this Sub-Committee :-

Major R.B. BRADBURY, Chief Industry Officer, substituted for Major HOGER.
 Major K.C. O'LEARY, Chief Finance Officer, substituted for W.C. LEWIS-JONES.
 KOVACIC, RAL., Yugoslavia (Industry), to replace one of the present Yugoslav members at the next meeting.

3911

41. QUESTIONS FOR THE NEXT MEETING

(a) In reply to para. 3 of minute 23, the Yugoslav delegation stated they awaited the arrival of the area sales director before they would be in a position to clarify this matter.

42. (b)/

41. (b) The Chairman advised the Yugoslav representatives that shipping arrangements were in hand to collect the 5,000 tons of coal on the quay at area port.

42. REMOVAL OF STAFFS FROM POST OFFICE, POLINA.

- (a) The Yugoslav representative said that the information required should be received in the course of a few days.

- (b) With regard to the staff record sheets of Post Office personnel in zone "B", the Chairman announced that it was hoped to receive these records very shortly.

43. COTTON SPINNING.

The Chairman stated that, according to UPRR, import of cotton into Yugoslavia exceeded their spinning capacity. The Yugoslav representatives were unable to concur with this statement and replied that present stocks were insufficient to keep the plants in operation. The Chairman requested, however, that the matter be re-investigated, to which the Yugoslav representatives agreed.

44. RAILWAY MATERIALS.

- (a) Planned.
The Chairman expressed his appreciation of the assistance rendered by the Yugoslav delegates in respect of JRS requirements in zone "A".

- (b) Salt.
The Yugoslav delegate regretted that no stocks were available.

45. CONTRACTS.

It was stated by the Yugoslav delegate that JRS were now prepared to negotiate through Centro-Banca for the supply of various items to the Yugoslav authorities on a barter basis. The Chairman confirmed this.

Post Office Building
announced that it was hoped to receive these
records very shortly.

43. CONFERENCE

The Chairman stated that, according to URE, import of cotton into Yugoslavia exceeded their spinning capacity. The Yugoslav representatives were unable to concur with this statement and replied that present stocks were insufficient to keep the plants in operation. The Chairman requested, however, that the matter be re-investigated, to which the Yugoslav representatives agreed.

44. YUGOSLAV REPRESENTATIVES

(a) Discussed.
The Chairman expressed his appreciation of the assistance rendered by the Yugoslav delegates in respect of JER requirements in zone "A".

(b) Salt.
The Yugoslav delegate regretted that no stocks were available.

45. COMPLETES

It was stated by the Yugoslav delegate that JLV were now prepared to negotiate through Comtrade for the supply of various items to the Yugoslav authorities on a barter basis. The Chairman confirmed that the transactions in this case, in fact, accurate and pointed out that the transactions in question would be limited in quantity and should be submitted to this Sub-Committee for final approval.

46. NOTIFICATION OF COMPLETION OF WORK

The Chairman announced that the text of the reply from the Principal Sub-Commission had been duly published in local newspapers and requested the Yugoslav delegate to take similar action in zone "B", then permitting the same facility of withdrawal of funds from zone "B" by firms situated in zone "A". The Yugoslav representative undertook to carry this out.

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-3-

47. REPORT OF THE JUGOSLAV DELEGATE TO THE JOINT ECONOMIC COMMITTEE

The Yugoslav delegate stated it had not been possible to examine this matter in detail and pointed out that a service had recently been inaugurated between Trieste and Rovigno. The matter of s/s ILL was left open for discussion between meetings.

48. SHIPPING

(a) The Yugoslav delegate stated that the list of ships alleged to have been removed from the port of Trieste by Yugoslav Nationals, without authority, was still under investigation.

(b) The Yugoslav delegate requested the release of a small craft now in Pola harbour, of Yugoslav registration and ownership. No further details were available. The Chairman requested full details in writing and undertook to investigate the matter.

(c) N.Y. "TORRE"

The Chairman stated that this vessel, registered in Trieste, and owned by a Trieste firm, had recently been acquired at Capodistria and launched by order of the Yugoslav military authorities without reference to or permission from the owner. He requested that action of this nature be prevented in the future and that the necessary action be taken for the return of this vessel to its rightful owner. The Yugoslav delegate undertook to investigate the matter without delay.

(d) N.Y. "VENEZIA"

The Chairman requested the Yugoslav delegate to investigate the case of this Trieste owned ship, which is alleged to be badly damaged and machinery removed by Yugoslav Nationals, now in the Ossulich dockyard, Split.

49. CHAIRMAN OF JOINT ECONOMIC COMMITTEE

The Chief Yugoslav Delegate reiterated the urgency and importance of this matter and pointed out their inability to discuss this question through present existing channels. He asked that the Industry & Commerce Sub-Committee request the Joint Economic Committee to give a ruling without fail at their next meeting.

43. SUMMARY.

- (a) The Yugoslav delegate stated that the list of ships alleged to have been removed from the port of Trieste by Yugoslav Nationals, without authority, was still under investigation.
- (b) The Yugoslav delegate requested the release of a small craft now in Pola harbor, of Yugoslav registration and ownership. No further details were available. The Chairman requested full details in writing and undertook to investigate the matter.
- (c) N.Y. "REDAIR"
The Chairman stated that this vessel, registered in Trieste, and owned by a Trieste firm, had recently been registered at Capodistria and launched by order of the Yugoslav military authorities without reference to or permission from the owner. He requested that action of this nature be prevented in the future and that the necessary action be taken for the return of this vessel to its rightful owner. The Yugoslav delegate undertook to investigate the matter without delay.
- (d) N.Y. "REDAIR"
The Chairman requested the Yugoslav delegate to investigate the case of this Trieste owned ship, which is stated to be badly damaged and exclusively crewed by Yugoslav Nationals, now in the Gosulich dockyard, Split.

49. CRIMES OF YUGOSLAV STATE BUREAU, 1942.

The Chief Yugoslav Delegate reiterated the urgency and importance of this matter and pointed out their inability to place this application through present existing channels. He asked that the Industry & Commerce Sub-Committee request the Joint Economic Committee to give a ruling without fail at their next meeting.

50. REMARKS.

The Yugoslav delegate regretted that the information called for by Finance, AIR XII Corps, was not to hand. The Chief Finance Officer agreed that Banks with Head Offices in Zone B, with Branches in Zone "A" should be authorized to transfer currency, in the normal course of business and within the limits of existing liabilities, to and from those branches concerned, subject to regular receipt by the appropriate Head Offices of the usual and accepted Bank returns.

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51. ATLANTA STATE PRISONERS.

No detailed cases were submitted by the Yugoslav representative. Finance, US XII Corps, were therefore unable to investigate. The Chief Finance Officer requested the Yugoslav representative to ascertain if any payments had, in fact, been made by the Yugoslav authorities in Zone "B".

52. FOUNDED PAYMENTS & INTERESTS.

The Yugoslav representative stated that this particular query no longer existed as they believed all outstanding claims have since been dealt with but agreed to investigate the possibility of the Yugoslav authorities assuming full responsibility for all Social Insurance in Zone "B".

After further discussion, the Yugoslav representatives asked that the "status quo" be maintained in both zones, to which the Chief Finance Officer, US 13 Corps, replied by requesting specific information on the "status quo" in zone "B". The Yugoslav representatives replied they would investigate and submit an interim report.

The Chief Finance Officer wished to make it clear that US XII Corps would only be responsible for payments in Zone "A", under present conditions.

53. FOREIGN EXCHANGE.

The Chief Finance Officer read a draft memo, on a proposed system to obtain a local solution to this matter and later handed a copy to the Yugoslav representatives who undertook, after study, to submit it to their higher authority for consideration. Similar action was agreed to by US XII Corps.

54. SUPPLY OF PETROL.

The Yugoslav delegate stated that 500-tons of petrol was in the storage depots of U.S.I.P. when Zone "A" was handed over to the Anglo-American Military Authorities and requested that a percentage distribution from this amount be made to the petrol pumps of this concern in zone "B". The Chairman replied that he could not agree since any issue made would have to be regulated by the said Military Authorities. It was agreed that the matter should be referred to the Joint Economic Committee for a ruling.

The Jugoslav representative stated that this particular query no longer existed as they believed all outstanding claims have since been dealt with but agreed to investigate the possibility of the Jugoslav authorities assuming full responsibility for all Social Insurance in Zone "B".

After further discussion, the Jugoslav representatives asked that the "status quo" be maintained in both zones, to which the Chief Finance Officer, A.G. 15 Corps, replied by requesting specific information on the "status quo" in zone "B". The Jugoslav representative replied they would investigate and submit an interim report.

The Chief Finance Officer wished to make it clear that A.G. 15 Corps would only be responsible for payments in Zone "A", under present conditions.

53. RUSSIAN MILITARY

The Chief Finance Officer read a draft memo, on a proposed system to obtain a local solution to this matter and later handed a copy to the Jugoslav representative who undertook, after study, to submit it to their higher authority for consideration. Similar action was agreed to by A.G. 15 Corps.

54. STATUS OF PETROL IN ZONE "A"

The Jugoslav delegate stated that 500-ton of petrol was in the storage depots of "G.I.P." when Zone "A" was handed over to the Anglo-American military authorities and requested that a percentage distribution from this amount be made to the petrol pumps of this concern in zone "B". The Chairman replied that he could not agree since any issue made would have to be replaced by the said military authorities. It was agreed that the matter should be referred to the Joint Economic Committee for a ruling.

55. ISSUE OF FLOTTING CRANE FOR PORT OF TRIESTE

The Jugoslav delegate handed a copy of letter addressed to NATO, Trieste, requesting the loan of a Floating Crane in order to restore and clear the port of Trieste. He requested that this Sub-Committee recommend the application to NATO; this, the Chairman undertook to do.

56. 203426.

Comptroller Division, 1st 13 Corps, applied for the import into zone "A" of 2,000 tons of foreign. This application had previously been submitted "unofficially" and after investigation, the Yugoslav representatives requested they were unable to meet the request.

57. 203426.

The Chairman requested the Yugoslav representatives to investigate the possibility of importing tobacco into zone "A" from either zone "B" or Yugoslavia. The Yugoslav representative replied that it was anticipated a limited amount could be exported from Yugoslavia and would give full details at the next meeting.

58. 203426.

The Yugoslav delegate stated it was thought that a few mines remained to be cleared from the harbor and requested that, if necessary, this Sub-Committee would intervene favorably with the appropriate Naval authorities. On receipt of a written application from the Yugoslav representatives, the Chairman agreed to recommend the application and pointed out that if British shipping is to enter any port the Royal Navy will insist on the mine-clearing effort.

203426.

PARTICIPATION

D. P. F. J. T. RUSSELL,
Major, D. 13 G,
Secretary,
Joint Economic Committee.

1. Chairman, Joint Economic Committee.
2. D. 13 G, 1st 13 Corps.
3. 1st 13 G (MAG), 1st 13 Corps.
4. Economic Advisor, 1st 13 G, 1st 13 Corps.
5. Director of Public Works & Utilities
Sub-Committee, HQ 1st 13 G.
6. Civil Division, Committee on Sub-Committee,

57. 100-222.

The Chairman requested the Yugoslav representatives to investigate the possibility of importing tobacco into zone "A" from, either zone "B" or Yugoslavia. The Yugoslav representative replied that it was anticipated a limited amount could be exported from Yugoslavia and would give full details at the next meeting.

58. NOTE SUBMITTED BY JAPANESE.

The Yugoslav delegate stated it was thought that a few mines remained to be cleared from Lika harbor and requested that, if necessary, this Sub-Committee would intervene favorably with the appropriate Naval authorities. On receipt of a written application from the Yugoslav representative, the Chairman agreed to recommend the application and pointed out that if British shipping is to enter any port the Royal Navy will insist on the mine-clearing work.

DISCUSSION.

D.P.W. RUSSELL,
Major, D.M.G.,
Secretary,
Joint Economic Committee.

DISCUSSION.

1. Chairman, Joint Economic Committee.
 2. H. A. Galt, XII Corps.
 3. JAG (Mov), XII Corps.
 4. Bureau of Aeronautics, HQ U.S. XII Corps.
 5. Director of Public Works & Utilities
Sub-Commission, HQ AFMCM.
 6. Civil Division, Commander Sub-Commission,
HQ AFMCM.
 7. Industrial Sub-Commission, HQ AFMCM.
 8. Public Safety Officer, AFM XII Corps.
 9. File.
- 9 - 100 Logans - Joint Economic Committee Meeting.

3907

CONFIDENTIAL

JOINT BOARD IN CONVENTION
 HEADQUARTERS, ALLIED MILITARY COMMISSION
 ALLIED CORPS, TRIESTE, ITALY

3 SEPT 45.

JOINT BOARD IN CONVENTION
 Transportation Sub-Committee - Minutes

31. The fifth meeting of the Transportation Sub-Committee was held at 0900 hours on 3 SEPT 45, in the Economic Section Conference Room, Allied Military Government, 13 Corps, Trieste.

PRESIDE

Chairman - Col. H. R. EMMETT, D.D.Tn., AMHQ.

Members - Lt. Col. C. V. BROWN
 (for Lt. Col. H. D. WILKINSON absent,
 Mr. ZIMMER, MAJOR GENERAL)
 Mr. URSIG, FRANK

Nov 15 1945.
 Jugoslavia (Transport
 Technical Services)
 Jugoslavia (Commerce,

In Attendance - Col. C. R. EMMETT
 Lt. Col. D. C. I. REYNOLDS
 Lt. Col. H. D. WILKINSON
 Major G. H. R. DAVIS
 Mr. WILKINSON, BOSS
 Mr. BROWN, FRANK
 Mr. NOVAK, FRANK
 Mr. BROWN, FRANK
 Mr. PIGGIE, LOIS
 Mr. PARKER, BILL

D.S. Tn. (Org.)
 1 Rly Op. Sp.
 ... D. Tn. (P)
 D.S. Tn. (P)
 Members of
 Joint Operating
 Committee.

32. The minutes of the fourth meeting of the Transportation Sub-Committee were received and approved.

33. JOINT OPERATING COMMITTEE MINUTES.

The names of the members of the Joint Operating Committee were noted and a formal meeting was called for 10.00 hours on 7/9/45 at Navy House, Trieste.

34. MINUTES OF THE JOINT OPERATING COMMITTEE.
 (of Min. 21 of formal meeting)

31. The fifth meeting of the Transportation Sub-Committee was held at 0900 hours on SEP 1, 5 SEP 15, in the Economic Section Conference Room, HQ Allied Military Government, 13 Corps, Trieste.

PRESENCE

Chairman - Col. M. KAMLET, D.D.Th., AMHQ.

Members - Lt. Col. G. J. BROWN
(for Lt. Col. G. J. BROWN, ABSENTEE)
Mr. ZIMMER, AMHQ
Mr. URSINO, AMHQ

Nov 13 CORP.
Jugoslavians (Transport
Technical Services)
Jugoslavians (Commerce,

In Attendance - Col. G. J. BROWN
Lt. Col. D. G. L. HAYWARDS
Lt. Col. L. G. J. BROWN
Major G. M. B. DAVIS
Mr. WILK, HOO-11
Mr. RAYMOND, HOO-11
Mr. DONALD, HOO-11
Mr. DEAN, HOO-11
Mr. PIERCE, HOO-11
Mr. FRANKLIN, HOO-11

D.D.Th. (Ops.)
1 Key Op. Gp.
D.D.Th. (P)
D.D.Th. (F)
Members of
Joint Operating
Committee.

32. The minutes of the fourth meeting of the Transportation Sub-Committee were received and approved.

33. JOINT OPERATING COMMITTEE MINUTES.

The names of the members of the Joint Operating Committee were noted and a formal meeting was called for 10.00 hours on 7/9/45 at Navy House, Trieste.

34. DISCUSSION OF THE JOINT OPERATING COMMITTEE. (ref Min. 21 of former meeting)

1. Railways in Zones "A" and "B".
The Chairman directed that it be recorded that the railways in zones "A" and "B" were separated by joint agreement on the 1 SEP 1945.

2. Tariffs:
The Chairman also directed that it be recorded that the proposed increases in tariff rates became effective from 1 SEP 1945.

3. Rates for through traffic:
It was decided that outstanding questions connected with these rates would now be dealt with by the Joint Operating Committee.

35.../

3906

35. CONFERENCE ON THE JUGOSLAV QUESTION

The Yugoslav delegation was invited to give any statements on the question of these contractors resident in Trieste who had been paid by the Italian State Railways for work in the Yugoslav zone but who had not yet paid their taxes. The Yugoslav delegate stated they would give a statement about this matter to the Joint Operating Committee.

36. REPORT OF THE JOINT OPERATING COMMITTEE

The Chairman referred to the complaint lodged at the last meeting of the Sub-Committee with regard to a locomotive and two coaches which crossed the border into the Italian zone. The Yugoslav delegate stated that they had referred this to the competent military authority in Zone "A" and that he had given an assurance that this would not occur again.

37. REPORT OF THE JOINT OPERATING COMMITTEE

The Yugoslav delegation again raised the question of whether the Allied Government could repair the section of railway from Gorizia to Trieste on the line to Italy. Colonel Barnett stated that recommendations had been made and it was found that a great deal of work would have to be done to make this line serviceable, which could not be done at the present time on account of other and more important work. The Yugoslav delegates again stressed the importance of the line on account of the isolation in its absence of certain districts from their economic centre of Gorizia and that all lines in Zone "B" had now been opened to traffic.

38. REPORT OF THE JOINT OPERATING COMMITTEE

The question of a through bus service between Gorizia and Postumia, Gorizia - Trieste and Gorizia - Udine, was again raised by the Yugoslav delegates. The Chairman replied that no answer had been received from G.I.C. but that he would endeavour to obtain an answer before the Yugoslav delegates left Trieste.

39. REPORT OF THE JOINT OPERATING COMMITTEE

The Chairman stated that the wagon position was serious. At the moment there was a deficit on the Yugoslav side of about 700 wagons. He asked that the Yugoslav delegates think as soon as possible. The Yugoslav delegate stated that the wagon position at the moment in Yugoslavia was such that the deficit could not be cleared. The Chairman stated that he was unable to accept this answer but that to help in the matter air transport were being made to regulate the arrival at Trieste of future U.K. ships. The Yugoslav delegates stated that the question of receiving very serious study and that they were doing their best to reduce the wagon turn round. The Yugoslav delegates had suffered more war damage than that of any other European country and further rolling stock would have to be supplied as a matter of urgency. Application had been made to U.K.R., but until provision from that source could be effective the Yugoslav delegates requested that

57. REPORT OF THE JUGOSLAV DELEGATION

The Yugoslav delegation emphasized the question of whether the Allied Government could repair the section of railway from Gorizia to Udine on the line to Trieste. Colonel Barnett stated that reconnaissance had been made and it was found that a great deal of work would have to be done to make this line serviceable, which could not be done at the present time on account of other and more important work. The Yugoslav delegates again stressed the importance of the line as a means of the isolation in its absence of certain districts from their economic centre of Gorizia and that all lines in the zone had not been opened to traffic.

58. QUESTIONS OF THE JUGOSLAV DELEGATION

The question of a through bus service between Gorizia and Postumia, Gorizia - Udine and Gorizia - Trieste, was raised by the Yugoslav delegates. The Chairman replied that no answer had been received from G 13 Corps but that he would endeavour to obtain an answer before the Yugoslav delegates left Trieste.

59. REPORT OF THE ALLIED DELEGATION

The Chairman stated that the wagon position was serious. At the moment there was a debit on the Yugoslav side of about 700 wagons. He asked that the Yugoslav forces take this as soon as possible. The Yugoslav delegate stated that the wagon position at the moment in Yugoslavia was such that the debit could not be cleared. The Chairman stated that he was unable to accept this answer but that to help in the matter arrangements were being made to regulate the arrival at Trieste of future U.S. ships. The Yugoslav delegates stated that the question of receiving very serious study and that they were doing their best to reduce wagon turn round. The Yugoslav railway system had suffered more in damage than that of any other European country and further rolling stock would have to be supplied as a matter of urgency. Application had been made to U.S.R., but until provision from that source could be effective the Yugoslav delegates requested that rolling stock from Germany or elsewhere be drafted into Yugoslavia. The Chairman noted the Yugoslav request for assistance and said that a full report of the position would be made to the Allied Government.

40. POINT OF AGREEMENT BETWEEN THE ALLIED AND JAPANESE

The Yugoslav delegation asked if the Allied Government is prepared to pay wages of non-regular workers who have come up to them up to the 31st Aug 1945. The Japs. delegation replied that the Allied Government had made itself responsible for the wages due to all regular and non-regular workers for work performed up to that date.

41. OPERATION OF RAILWAY POLA

At the last meeting of the Transportation Sub-Committee it was decided that a meeting be held in the Navy House at Pola on the 15.10.45. The meeting was duly held as arranged, and recommendations for the use of the port of Pola are attached as Appendix "A" hereto.

42. OPERATION OF RAILWAY RAILWAY

The Yugoslav delegation requested that Yugoslav representatives be stationed at Pola for regulation of railway traffic between Pola and zone "B". The Chairman stated that the method of working the railway was now a subject to be dealt with by the Joint Operating Committee.

43. LOSS OF URBAN SUPPLIES

The Yugoslav delegation stated that eleven wagons had arrived at Ljubljana and Belgrade during July and August with their seals intact but some of the supplies missing. Lt. Col. Brown undertook to carry out an investigation of the accuracy of URBAN supplies in zone "A".

44. TRANSPORTATION THROUGH TRIESTE

The Yugoslav delegation informed the Allied Government that coal from area destined for zone "B" and timber from Yugoslavia for area would shortly be passing through Trieste.

22/11/45

-SECRET-

D. P. W. THOMAS,
Major, D. 40,
Secretariat,
Joint Economic Committee.

1. Chairman, Joint Economic Committee.
2. D. P. W. THOMAS.

3905

41. CONSTITUTION OF JOINT ECONOMIC COMMITTEE.

At the last meeting of the Transportation Sub-Committee it was decided that a meeting be held in the Army House at Pola on the 15.10.46. The meeting was duly held as arranged, and recommendations for the use of the port of Pola are attached as appendix "A" hereto.

42. OPERATIONS OF THE RAILWAY.

The Yugoslav delegates requested that Yugoslav representatives be stationed at Pola for regulation of railway traffic between Pola and zone "B". The Chairman stated that the method of working the railway was now a subject to be dealt with by the Joint Operating Committee.

43. LOSS OF SUPPLY LINES.

The Yugoslav delegates stated that eleven wagons had arrived at Ljubljana and Belgrade during July and August with their seals intact but some of the supplies missing. Lt. Col. Brown undertook to carry out an investigation of the security of U.S.S.R. supplies to zone "A".

44. TRAFFIC THROUGH TRIESTE.

The Yugoslav delegates informed the Allied Government that coal from areas destined for zone "B" and timber from Yugoslavia for area would shortly be passing through Trieste.

22/1/47

DISTRIBUTION

1. Chairman, Joint Economic Committee.
2. D. & W. G. Allen Corp.
3. W. G. Allen Corp.
4. Economic Adviser, Allied Corps.
5. Director, Public Works & Utilities Sub Comm., Hq. A.I.I.C.
6. Coal Division, Commerce Sub-Commission, Hq. A.I.I.C.
7. Industry Sub-Commission, Hq. A.I.I.C.
8. Public Relations Officer, A.I.I.C. Corps.
9. File.
10. Gaido - Joint Economic Committee meeting.

D. P. M. THOMAS,
Major, D. & W. G.
Secretary,
Joint Economic Committee.

3905

APPENDIX "A" TO THE PORT OF POL. IN THE REVENUES
DATED 3 SEP 1945.

RECOMMENDATIONS FOR THE USE OF THE PORT OF POL.

1. Principles which apply to the port of TUNISIE should be adopted likewise for the port of POL.
2. The commercial part of the port of POL., not being accessible on account of mines, which the Royal Navy has no intention of clearing, ships with cargo for Zone "B" and JUGOSLAVIE will berth in the ARSENALIE port between Mole Carboni and Scoglio Olivi. The Yugoslav Government will use the port of POL. for discharging only coasters and ships with cargoes destined for ISTMI., and in exceptional cases ships with cargoes for other parts of Zone "B" and JUGOSLAVIE.
3. The railway track from the railway station to the ARSENALIE PORT is damaged by bombing. The Allied Military Government should undertake to repair this track as soon as possible.
4. The storage of cargo is not possible in the port of POL. as no warehouses exist. Consequently cargo will have to be loaded directly from ships to railway or road cars, and vice versa.
5. The Yugoslav Government will appoint a shipping agent at POL. to represent it in the usual commercial manner.

APPENDIX "A" TO THE PROPOSITION SUBMITTED BY THE ALGERIANS
DATED 3 SEP 1945.

RECOMMENDATIONS FOR THE USE OF THE PORT OF POL.

1. Principles which apply to the Port of TRIESTE should be adopted likewise for the port of POL.
2. The commercial part of the port of POL, not being accessible on account of mines, which the Royal Navy has no intention of clearing, ships with cargo for Zone "B" and JUGOSLAVIA will berth in the ARSENALIE port between Mole Carboni and Scoglio Olivetti. The Yugoslav Government will use the port of POL for discharging only coasters and ships with cargoes destined for ISIRI, and in exceptional cases ships with cargoes for other parts of Zone "B" and JUGOSLAVIA.
3. The railway track from the railway station to the ARSENALIE PORT is damaged by bombing. The Allied Military Government should undertake to repair this track as soon as possible.
4. The storage of cargo is not possible in the port of POL, as no warehouses exist. Consequently cargo will have to be loaded directly from ships to railway or road cars, and vice versa.
5. The Yugoslav Government will appoint a shipping agent at POL to represent it in the usual commercial manner.

3904

DISTRIBUTIONREF. NO.

1.	C.O., A.H.Q.
2.	D/C.O., A.H.Q.
3.	G-4 (a), A.H.Q.
4.	G-4 (b), A.H.Q.
5/6	G-4 (c) & (d), A.H.Q.
7/8	G-5, A.H.Q.
9/10.	A.H.Q. A.H.Q.
11.	US T.O.M.D. A.H.Q.
12	RES. II, A.H.Q.
13	Ta (Main) Room, G.P.
14	G.O.C., XIII Corps.
15/17	D. & G.S., XIII Corps.
18	A.G. (Gov), XIII Corps.
19	Chief Operations, A.H.Q.
20	R. A.H.Q.
21/30	Academic Section, A.H.Q.
31	Public Works & Utilities Sub-Commission.
32	A.H.Q. (Comm: Chief, Electrical Division).
33	Commerce Sub-Commission, A.H.Q.
	(Attn: Coal Division)
	Industry Sub-Commission, A.H.Q.
	(Attn: Major A.S.D. Roger)
34	American Embassy.
35	British Embassy.
36	SC.O., A.H.Q. XIII Corps.
37/38	D/C.O., A.H.Q. XIII Corps.
39	Executive Adviser, A.H.Q. XIII Corps.
40	Legal, A.H.Q. XIII Corps.
41	Finance, A.H.Q. XIII Corps.
42/43	Supplies, A.H.Q. XIII Corps.
44	Transportation, A.H.Q. XIII Corps.
45	Labour, A.H.Q. XIII Corps.
46	Public Works, A.H.Q. XIII Corps.
47/56	Yugoslav Delegation.
57/100	Spares.

3903

15/17
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 42/43
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 47/56
 57/100

C.O.C., XII Corps.
 D. & C., XII Corps.
 J.G. (Nov, XII Corps.
 Chief Commission, L.O.
 R. L.O.
 Bureau Section, L.O.
 Public Works & Utilities Sub-Commission,
 L.O. (Attn: Chief, Electrical Division).
 General Sub-Commission, L.O.
 (Attn: Coal Division).
 Industry Sub-Commission, L.O.
 (Attn: Major R.D. Dwyer)
 American Embassy.
 British Embassy.
 S.C.O., J.G. XII Corps.
 D/S.C.O., J.G. XII Corps.
 Economic Adviser, J.G. XII Corps.
 Legal, J.G. XII Corps.
 Finance, J.G. XII Corps.
 Supplies, J.G. XII Corps.
 Transportation, J.G. XII Corps.
 Labor, J.G. XII Corps.
 Public Works, J.G. XII Corps.
 Yugoslav Delegation.
 Spain.

-----000-----

Ext 451

AZA/61

67

Ref: 4045/67/EO

7 September 1945

MEMORANDUM:

TO : SCAO, Venetia Giulia

Enclosed for your information is copy of a letter reference
ES/1.47 dated 23 August 45 on the subject of "Joint Economic Committee --
Authority."

A. D. Annunzio

✓
Brigadier
Executive Commissioner

1 Incl:
as above

3902

PA
7/9

785017

40458
JOINT ECONOMIC COMMITTEEPostal Address:
HQ, Allied Commission
APO 394

Ref. ES/1.47

25 August 1945

AUG 27 1945

SUBJECT: Railway and Port Working - Venezia Giulia

TO : G-4 Section (Mov & Tr)
AFHQ

1. I refer to DARS letter ES.1/50 dated 21 August 1945 addressed to you and in particular to the recommendations contained in paragraph 5:

2. I will deal with these recommendations one by one:

3(a) The Joint Economic Committee was formed and held its first meeting on the 28th of June. It contained two members nominated by AFHQ to represent Port and Transportation matters insofar as they affect the economic life of Venezia Giulia and the flow of commerce across the line of demarcation. The Yugoslav Delegation to the Committee was similarly constituted.

At its first meeting, the Committee very properly considered that if every matter submitted for its consideration and advice had to be dealt with by the full Committee, then it would have to sit continuously. Three Sub-Committees were therefore created to do the detail work leaving the main committee to deal with matters of general policy and to approve or otherwise the recommendations of its sub-committees. This is the normal manner of conducting public business and whether or not the main committee decides to have a transportation sub-committee is, with all respect to DARS, a matter for that Committee and no one else. I may say that the senior AFHQ representative (Colonel Barley) fully agreed with the procedure and if the DARS were ignorant of it, as he says in paragraph 1 of his letter, then the fault would appear to lie in his own service. The procedure adopted by the Committee has the approval of the Yugoslav Government and has been working very smoothly up to now. If on the representation of DARS, AFHQ wishes to alter the procedure, the approval of the Yugoslav Government will, I presume, likewise have to be obtained.

3(b) This recommendation appears to be at variance with recommendation (a). Why should there be Mov & Tr representatives on the main committee if it is to be prohibited from dealing with Mov and Tr matters?

CAPT. PHILLIPS

S. M. Lu M 64

(62)

- 2 -

5(c) I fully agree. Quite clearly railway operating matters can not be dealt with by a non-executive body like the Joint Economic Committee.

5(d) The Port Control Committee is represented on the Joint Economic Committee by the Mov & Tr members. If the Joint Economic Committee has matters put before it which are beyond its jurisdiction, it will obviously refer them to the competent authority. Otherwise I agree with the recommendation.

5(e) This recommendation cuts right across the functions of the Joint Economic Committee and, in the opinion of the writer, should not be agreed to. The Joint Economic Committee is specially constituted to deal with questions of policy and is charged, as I see it, with finding solutions to problems presented to it which will be acceptable both to the Anglo-American authorities and to the Yugoslav Government.

5(f) I have no observations to offer on this recommendation.

D. L. ANDERSON, Brigadier.

D. L. ANDERSON, Brigadier
Chairman
Joint Economic Committee

Copy to:
D.M.G., XIII Corps
J.E.C.
Asst. COS, G-8, AFHQ
Executive Commissioner
S.M.G., XIII Corps
Secretariat, J.E.C.

3900

Tel. 406

4065
HEADQUARTERS ALLIED COMMISSION

APC 394

ECONOMIC SECTION
PRODUCTION DIVISION

DLA:lrw

Ref. ES/1.47

23 August 1945

AUG 24 1945

SUBJECT: Joint Economic Committee - Authority

TO : Executive Commissioner

1. Reference is made to Finance Sub-Commission memorandum 13262/T dated 20 August 1945 regarding the powers of the Joint Economic Committee, Venezia Giulia.

2. The view held by the writer, who is the Chairman of the Committee, is that the Committee can not be executive because:

a. It is composed of representatives of

- (1) Yugoslav Government
- (2) AFHQ,
- (3) Allied Commission, and
- (4) AMG, XIII Corps,

and any and all of these authorities retain the right to question any of the recommendations made by the Committee.

b. Its functions, as I see them, are purely those of a consultative agency appointed to iron out differences which may arise between the various authorities represented on the Committee and to attempt to produce unanimous recommendations to these authorities.

D. L. Anderson
D. L. ANDERSON
Brigadier
Deputy Vice-President

Copy to:
Finance S/C

3894.
See M. 7-8.

(Case Admin.)

4045
7
56
HEADQUARTERS ALLIED COMMISSION
APO 394
FINANCE SUB-COMMISSION

132627

20 August 1945

AUG 20 1945

SUBJECT: Report of Finance Division, Venezia Giulia,
12 June 1945 to 31 July 1945.

TO : Executive Commissioner. ✓

1. Quoted below is a paragraph from the most recent report of the
Chief Finance Officer, AMV Venezia Giulia, dated 10 August:

"30. Joint Economic Committee.

I notice that HQ ALCOM is on the distribution list
of Minutes and I have no doubt that you will have seen them.

I asked Brig. Lush during his recent visit here whether
the committee could be considered Executive or merely Advisory.

He felt that it was Executive but the most recent proposed
AMV Directive suggests NO whereas people here think YES.

It is a very important point which needs clarification.

I feel that your CPO should always be in attendance at the
General Meeting of the Committee."

2. I should be grateful for your views or comments on the above.

H. H. Hengeman
Joint Director,
Finance Sub-Commission

3898

Copy to: Brig. Anderson, Economic Section.

SEE 157.58.
F 59.465

(CASE ANNOU)

4045
EXEC COMM
SECRET

EX 94461
AUG 111711

F/3702
AUG 190945
ROUTINE

From: AFHQ, SIGNER SIGNED CITE FIDES
TO: ALCOM NORM INFO 13 CORPS

AUG 13 1945

SECRET.

Reference AUG 13 CORPS signal 8/208 cite ACHDO request your views thereon. View here at moment is that no reason exists why SCAD as member staff 13 CORPS is not qualified to act as chairman of committee except for possible reason he not technically qualified or too busy. Presume you and 13 CORPS will sort out but trust you take no action based on fear of pressure from other nations.

HEADQUARTERS

17 AUG 1945

A. C.

SECRET

ACTION
INFO

ECOM SEC 2
CHIEF COMMISSIONER
EX COMMISSIONER 2
FILE

SECRET

3897

(Capt. F. H. H. H.)

785017

4045
SECRET

E EC Comm (2)

8/208

AUG 101700B

P/3465

AUG 111030

IMPORTANT

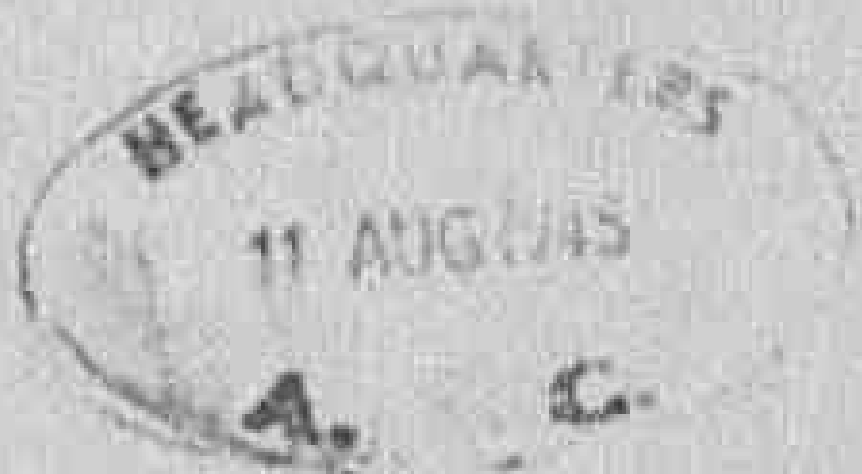
AND 13 CORPS FROM BOWMAN
AFHQ INFO HQ ALCON CITE ACEGO

AUG 11 1948

SECRET.

Per Brigadier ANDERSON.

In accordance with and solely because of direct instructions your Hq presided today at meeting of Joint Economic Committee. I have frequently expressed to Brigadier ANDERSON my views regarding inappropriateness of my participating in this activity and incidents today confirm fact that chairmanship this committee is utterly inconsistent with duties of SCAG. Strongly urge you furnish or nominate a resident deputy to preside in chairmans absence or make other appropriate provision so that SCAG will not by reason of weather conditions or otherwise be required to assume responsibility which is embarrassing and conflicts with general responsibility. Rgs 13 CORPS concurs.

DIST

ACTION ECON SEC 2
INFO CHIEF COMMISSIONER
BY COMMISSIONER 2
FILE

SECRET

See 3353-54

SEE 55

(MISS DL)

PA
ChPA
Ch
1948

404571
RESTRICTED

Let. Comdr

EX 33747
AUG 091640

I/261
AUG 100850
~~ROM-JEE~~ OP

AFHQ, SIGNED SACRED CITE FRODO
COND 13 CORRE INFO ALCOM ROME

BT

AUG 10 1945

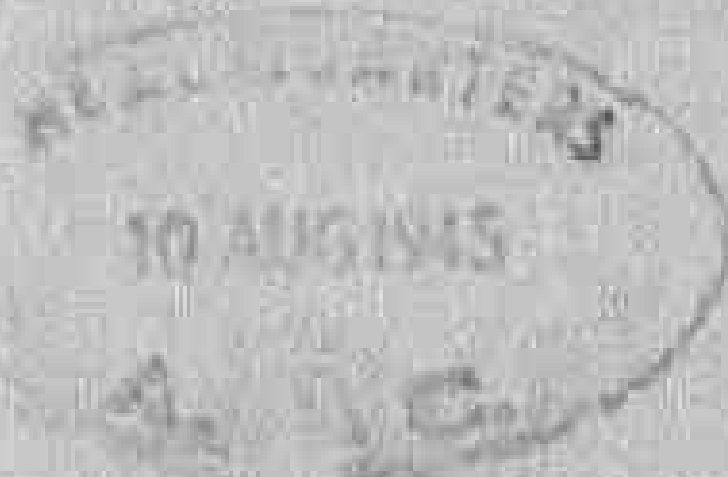
ALL

RESTRICTED.

Instruct REAUMONT Colonel SCAG to preside at Joint Economic Committee meeting
0900 hours August 10 Vice Brigadier ANDERSON. Latter unable to ^{attend} attend owing adverse
flying conditions.

DISC

INFO-ACTION INFO
INFO
ECON SEC 2
CHIEF COMMISSIONER
EXEC COMMISSIONER 2
EXT SEC
FILE



3895

RESTRICTED

MA

JOINT ECONOMIC COMMITTEE

HEADQUARTERS, ALLIED MILITARY GOVERNMENT,
XIII CORPS, TRIESTE, ITALY

30 July 1945

SUBJECT: Joint Economic Committee
Minutes of Fourth Meeting

AUG 1 1945

TO : All Concerned.

1. Your attention is directed to the agenda and minutes of the fourth meeting of the Joint Economic Committee held at Trieste on 25th July last.

2. Please note that the correct title of the Committee should be "Joint Economic Committee" rather than "Jugoslav Joint Economic Commission" as indicated on the minutes.

L.P. Wickach
for D. F. F. H. THUSSELL
Major, DAQMG
Secretary
Joint Economic Committee

DISTRIBUTION

CAO, AFHQ
D/CAO, AFHQ
G-4(A), AFHQ
G-4(B), AFHQ
G-4 (Mov & Tr), AFHQ (2)
G-5, AFHQ (2)
AFHQ, AFHQ
US POLAD, AFHQ
REKIN, AFHQ
Tr (Main) Rome, GCP
HQ, 8 Army
SCAO, 8 Army
D.D. Tr, 8 Army
AGPS (mov), 8 Army
GOC, XIII Corps
D.A. & Q.M.G., XIII Corps

Economic Section, ALCON (6)
Public Works & Utilities S/C, ALCON
(Att: Chief, Elec. Div.)
Commerce S/C, ALCON
(Att: Coal Div.)
Industry S/C, ALCON
(Att: Maj. R.C.D. Bager)
British Embassy
American Embassy
SCAO, AG XIII Corps
D/ SCAO, AG XIII Corps (2)
Legal, AG XIII Corps
Finance, AG XIII Corps
Supplies, AG XIII Corps (2)
Transportation, AG XIII Corps
Labour, AG XIII Corps

3895

minutes on 25th July last.

2. Please note that the correct title of the Committee should be "Joint Economic Committee" rather than "Jugoslav Joint Economic Commission" as indicated on the minutes.

L.P. Wickham

for D. F. E. H. THURSELL
Major, DAME
Secretary
Joint Economic Committee

DISTRIBUTION

CAO, AFHQ
D/CAO, AFHQ
C-4(A), AFHQ
C-4(B), AFHQ
C-4 (Mov & Tn), AFHQ (2)
S-5, AFHQ (2)
AFHQ, AFHQ
US POLAD, AFHQ
RESNID, AFHQ
Tn (Main) Rome, GSF
HQ, 8 Army
SCAO, 8 Army
D.D. Tn, 8 Army
AFHQ (mov), 8 Army
CAC, XIII Corps
D.A. & Q.M.G., XIII Corps
Chief Commissioner, ALCOM
HQ ALCOM ✓

Economic Section, ALCOM (6)
Public Works & Utilities S/C, ALCOM
(Att: Chief, Elec. Div.)
Commerce S/C, ALCOM
(Att: Coal Div.)
Industry S/C, ALCOM
(Att: Maj. J.C.D. Beger)
British Embassy
American Embassy
SCAO, 8th XIII Corps
D/SCAO, 8th XIII Corps (2)
Legal, 8th XIII Corps
Finance, 8th XIII Corps
Supplies, 8th XIII Corps (2)
Transportation, 8th XIII Corps
Labour, 8th XIII Corps
Public Works, 8th XIII Corps
Jugoslav Delegation (6)

3092

M49750

By (Car. H. H. H.)

Excerp

The Yugoslav look to
establish Tourist Agencies
in V. G. is not only an
economic matter but has
a highly political
angle. 16. Should go out
from the Commission
with a comment after
consulting with Polack.

§ 1 1/8.

M 3893

Tel. 406

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

JLA:lrw

Ref. ES/1.47

30 July 1945

JUL 30 1945

SUBJECT: Joint Economic Committee - Tourist Agencies

TO : Assistant Chief of Staff
G-5 Section, AFHQ

1. You will notice from item No. 23 of the Minutes of the Joint Economic Committee meeting held in Trieste on the 25th July that the Yugoslav Government wishes to establish tourist agencies in Gorizia and Trieste. It was stated at the meeting that permission could not be granted until AFHQ approval could be obtained.

2. Please inform me whether or not you approve.

3. I should be grateful if the answer could reach me in time for the matter to be dealt with at the next meeting of the Committee which is scheduled to take place on the 10th August.

D. L. Anderson
D. L. ANDERSON, Chairman
Joint Economic Committee

Copy to:
Chief Commissioner, AICOM ✓
Through Executive Commissioner
Secretariat, Joint Economic Committee

(CAPT ARNOLD)

745547
3892 4952

Tel. 406

4045
HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

DIA:lrw

43

Ref. ES/1.47

30 July 1945

JUL 30 1945

SUBJECT: Joint Economic Committee - Venezia Giulia Railways

TO : Assistant Chief of Staff
G-5 Section, AFHQ

- 41
1. I refer you to the minutes of the Joint Economic Committee meeting held at Trieste on the 25th July 1945, Item No. 22.
 2. Would you please inform me if the revised proposal regarding Venezia Giulia Railways has your approval.
 3. I should be grateful if the answer could reach me in time for the matter to be dealt with at the next meeting of the Committee which is scheduled to take place on the 10th August.

D. L. Anderson
D. L. ANDERSON, Brigadier
Chairman
Joint Economic Committee

Copy to:
Chief Commissioner, ALOOM ✓
Through Executive Commissioner
Secretariat, Joint Economic Committee

3891

(CAPT ARNOLDY)

COPY NO. _____

YUGOSLAV JOINT ECONOMIC COMMISSION

HEADQUARTERS, ALLIED MILITARY GOVERNMENT,
XIII CORPS, TRIESTE, ITALY

25 July 1945

JOINT ECONOMIC COMMISSION - Minutes

17. The fourth meeting of the Joint Economic Committee was held at 0800 hours, 25th July 1945, in the Main Conference Room at Headquarters, XIII Corps, Trieste.

PRESENT

Chairman - Brigadier D. L. ANDERSON, C.B.E.
(Deputy Vice President, Economic Section, ALCON).

Members

Colonel	A. H. SMITH	D.D. TN, C Army.
Lt. Col.	D. S. M. M. M. M. M.	in ALB, XIII Corps.
Lt. Col.	W. H. LAFER	Chief, Electrical Division, Public Works & Utilities Sub- Commission, ALCON.
Major	G. F. LUTON	Planning Division, ALCON.
Dr.	W. B. DOZO	Jugoslavia (Chief of Delegation).
Ing.	W. H. V. L. V.	Jugoslavia (Industry).
Ing.	W. H. M. R. J. J.	Jugoslavia (Industry).
Ing.	W. H. M. R. J. J.	Jugoslavia (Commerce).
Ing.	W. H. M. R. J. J.	Jugoslavia (Commercial Transport).
Ing.	W. H. M. R. J. J.	Jugoslavia (Transport Technical Services).

In Attendance - Brigadier R. D. HARRISON

Colonel	A. S. BURNHAM	D TN, ALB.
Major	J. E. FOTEN	SSAO, ALB, XIII Corps.
Captain	E. HARRISON	ALB, XIII Corps.
Ing.	IOVANOVIĆ JUVO	Public Relations Officer,
Ing.	IOVIĆ, BRANISLAV	ALB, XIII Corps.
		Jugoslavia (Transport).
		Jugoslavia (Jugoslav State Railways).

18. COMMISSION

The following changes of membership were approved by the Committee:-

Major G. F. LUTON to be substituted for Lt. Col. C. W. OLLIV.

389.1

17. The fourth meeting of the Joint Economic Committee was held at 0900 hours, 25th July 1945, in the Main Conference Room at Headquarters, A.E., XIII Corps, Trieste.

PRESIDENT

Chairman - Brigadier D. L. ANDERSON, C.B.E.
(Deputy Vice President, Economic Section, A.E.C.).

Members

Colonel	A. H. BAKER	D.D. Th, 8 Army.
Lt. Col.	D. S. BARNETT	Inf. Bn, XIII Corps.
Lt. Col.	W. H. LAFER	Chief, Electrical Division, Public Works & Utilities Sub- Commission, A.E.C.
Major	G. F. LATCH	Mining Division, A.E.C.
Dr.	K. E. DOZO	Jugoslavia (Chief of Delegation).
Ing.	LOTHAR, VILMAR	Jugoslavia (Industry).
Ing.	BOGIC, MARKO	Jugoslavia (Industry).
Ing.	FRANCO, J. J.	Jugoslavia (Commerce).
Ing.	BRIC, J. J.	Jugoslavia (Commercial Transport).
Ing.	BRIC, J. J.	Jugoslavia (Transport Technical Services).
Ing.	BRIC, J. J.	

In Attendance-Delegation

Colonel	R. D. WILKINSON	D. Th, A.E.C.
Major	A. C. BOWMAN	SCAO, A.E.C., XIII Corps.
Captain	J. E. POLES	Inf. Bn, XIII Corps.
	E. ELLISON	Public Relations Officer, A.E.C., XIII Corps.
Ing.	IOVANCIC JUVO	Jugoslavia (Transport).
Ing.	IOVIC, BRISLAV	Jugoslavia (Jugoslav State Railways).

18. MEMBERSHIP

The following changes of membership were approved by the Committee:-

Major G. F. LATCH to be substituted for Lt. Col. G. F. LATCH. 3894
Major J. E. POLES to be substituted for Lt. Col. W. H. LAFER.
Lt. Col. H. E. PHILLIP to be substituted for Major H. L. PHILLIP.

19. MINUTES OF PREVIOUS MEETING

The minutes of the third meeting held on the 11th July 1945 were received and approved with the following addition to paragraph 13, thereof:-

"In reply to a request regarding the moving of certain ships the salvaging of which is being carried out by the Yugoslav Government, the Chairman stated that provided the ships are of Yugoslav registry they could be removed."

The Yugoslav representatives again raised the question of their UNECE delegation having direct access to the military port authorities at

[Trieste and after. . . .]

Secret

- 2 -

Trieste and after some discussion it was again agreed that the only authority which would be recognized in connection with the operation of the Port of Trieste and the transportation facilities therefrom would be the Transportation Sub-Committee of the Joint Economic Committee.

20. FUEL & POWER SUB-COMMITTEE.

The minutes of the meeting of the Fuel & Power Sub-Committee held on 23rd July 1945 were received and approved.

The Yugoslav representatives stated that they hoped to be in a position to appoint their new technical representative in the near future.

21. INDUSTRY & COMMERCE SUB-COMMITTEE.

(a) The minutes of the meeting of the Industry & Commerce Sub-Committee held on 23rd July 1945 were received.

(b) The Chairman of the Committee said that it appeared to him that no true contract exists between the Yugoslav Government and I.L.V.A., S.A. If the Yugoslav Government desires to obtain supplies from this firm, a proper contract should first be negotiated and submitted to the Industry and Commerce Sub-Committee for approval. When the contract is finally approved by the Sub-Committee, such instructions as are necessary for re-leasing blocked materials will be issued by the appropriate A.M. authorities.

(c) The Chairman stated that A.M. would be requested to state what shipping was being dealt with by the War Lorry Committee.

(d) With the following amendments and additions, the minutes as submitted were approved:-

Para 17 - delete the word "postmaster" and substitute "Post Office Official".

Para 18 - delete the word "yarn" and substitute "cotton".

Add additional paragraph as follows:-

20. MOVEMENT OF COMMERCE BETWEEN ANGLO-AMERICAN AND YUGOSLAV CONTROLLED TERRITORIES.

The Yugoslav representatives requested that a procedure be defined which would enable firms, with their head office in Anglo-American controlled territory, and plants in Yugoslav controlled territory, to effect the payment of wages in these plants. Finance Officer, AM XIII Corps, undertook to obtain a ruling on this point from Allied

on 23rd July 1945 were received and approved.

The Yugoslav representatives stated that they hoped to be in a position to appoint their new technical representative in the near future.

21. INDUSTRIAL & COMMERCE SUB-COMMITTEE.

(a) The minutes of the meeting of the Industry & Commerce Sub-Committee held on 23rd July 1945 were received.

(b) The Chairman of the Committee said that it appeared to him that no true contact exists between the Yugoslav Government and I.L.V.A., S.A. If the Yugoslav Government desires to obtain supplies from this firm, a proper contract should first be negotiated and submitted to the Industry and Commerce Sub-Committee for approval. When the contract is finally approved by the Sub-Committee, such instructions as are necessary for releasing blocked materials will be issued by the appropriate authorities.

(c) The Chairman stated that A.M.A. would be requested to state what shipping was being dealt with by the War Dooty Committee.

(d) With the following amendments and additions, the minutes as submitted were approved:-

Para 17 - delete the word "postmaster" and substitute "Post Office Official".

Para 18 - delete the word "yarn" and substitute "cotton".

Add additional paragraph as follows:-

20. MOVEMENT OF COMMERCE BETWEEN ANGLO-AMERICAN AND YUGOSLAV CONTROLLED TERRITORIES.

The Yugoslav representatives requested that a procedure be defined which would enable firms, with their head office in Anglo-American controlled territory, and plants in Yugoslav controlled territory, to effect the payment of workers in these plants. Finance Officer, Air Mail Corps, undertook to obtain a ruling on this point from Allied Commission.

3889

22. TRANSPORTATION SUB-COMMITTEE.

The minutes of the meeting of the Transportation Sub-Committee held on 23/24 July 1945 were received.

The Committee considered the text of the revised proposal for the Administration of Railways in Venezia Giulia, the Yugoslav representatives having stated that the recommendations made in paragraph 4 of the Transportation Sub-Committee meeting minutes of 9/10th July were not acceptable to the Yugoslav Government. The Committee decided to amend the text to read as follows:-

ADMINISTRATION OF RAILWAYS. . .

Distinction between military and civil rail

Joint Yugoslav Military Government

the purpose of the study?

-3-

ADMINISTRATION OF RAILWAYS IN YUGOSLAVIA

1. The parts of Venezia Giulia administered by the Allied Military Government are designated zone 'A', and the part of Venezia Giulia administered by the Yugoslav Military Government is designated zone 'B'.

The railways in Zone A shall be under the administration of the Allied Military Government and the railways in Zone B under the administration of the Yugoslav Military Government.

2. For the co-ordination of the work of the railways in both zones a Joint Operating Committee (established in accordance with Appendix 1, Para 1(b) of the Agreement of the 26th June 1945) shall be formed in Trieste, this Committee to be composed of three members from each side, with an interpreter and the necessary minimum number of clerical assistance.

3. The members of the Joint Operating Committee shall be named and authorized by the respective Military Governments of Zones A and B.

4. The Joint Operating Committee shall have the following functions:-

- (a) To settle day to day problems in connection with the interchange of traffic between zones A and B.
 - (b) To meet as a formal Committee as often as required, and not less than once a month, to deal with matters of common policy regarding operating, technical, traffic and tariff questions. Additional members as necessary may be co-opted by either side for formal meetings of the Committee. Records of proceedings shall be kept and submitted to the appropriate authorities.
 - (c) To appoint transit (exchange) stations as necessary for new lines open to traffic across the demarcation line between Zones A and B.
 5. Each Military Government shall be responsible for the supply of consumable stores and materials in its own zone. Where shortages of certain materials exist in Zone B which the Yugoslav Government is unable to obtain from its own resources, the Allied Government shall do its best to supply from Zone A or elsewhere, so that Zone A and Zone B shall be treated on an equitable basis regarding supplies. Questions of financial adjustment shall be for ultimate settlement between the Governments concerned.
- W. J. G.*
- W. J. G.*

administration of the Yugoslav Military Government.

2. For the co-ordination of the work of the railways in both zones a Joint Operating Committee (established in accordance with Appendix 1, para 1(b) of the Agreement of the 20th June 1945) shall be formed in Trieste, this Committee to be composed of three members from each side, with an interpreter and the necessary minimum number of clerical assistance.
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4. The Joint Operating Committee shall have the following functions:--
 - (a) To solve day to day problems in connection with the interchange of traffic between zones A and B.
 - (b) To meet as a formal Committee as often as required, and not less than once a month, to deal with matters of common policy regarding operations, location, traffic and tariff questions. Additional members as necessary may be co-opted by either side for formal meetings of the Committee. Records of proceedings shall be kept and submitted to the appropriate authorities.
 - (c) To appoint transit (exchange) stations as necessary for new lines open to traffic across the demarcation line between zones A and B.
5. Each Military Government shall be responsible for the supply of consumable stores and materials in its own zone, where shortages of certain materials exist in Zone B which the Yugoslav Government is unable to obtain from its own resources, the Allied Government shall do its best to supply from Zone A or elsewhere, so that Zone A and Zone B shall be treated on an equitable basis regarding supplies. Questions of financial adjustment shall be for ultimate settlement between the Governments concerned.
6. Electric locomotives in Zones A and B shall be used ^{in common}. Their equitable distribution shall be decided by the Joint Operating Committee. The Allied Military Government shall supply electrical energy to cover the requirements of electric traction in Zone B.
7. Where facilities, such as for the repair of rolling stock, exist in one Zone only, such facilities shall be available to cover the requirements of both zones.
8. Separate accounts shall be kept for all purposes for each zone: all services and materials supplied from one Zone to the other shall be recorded.

The Yugoslav representative stated that their Government was in agreement with the above proposal and it was decided to submit the revised proposal to ACP for its views.

- 4 -

23. TOURIST AGENCIES.

The Yugoslav representatives stated that their Government would like to establish Tourist Agencies in Gorizia and Trieste. The Chairman stated that this was a subject which must be referred to A.M.H.

24. CIVILIAN VEHICLES.

The Chairman reported to the meeting, that until AUG XIII Corps is satisfied that:

- (a) a suitable storage and assembly site has been established, and
- (b) satisfactory and adequate contracts have been negotiated with civilian firms for their assembly,

all cased vehicles lawned at Trieste will be cleared to Yugoslavia, encased, by rail.

24. CIRCULATION OF VEHICLES.

The Yugoslav representatives raised a query on restrictions which had been put on circulation of vehicles. The Committee considered that this was a matter which should properly be dealt with by A.M.H. XIII Corps. SCAG undertook to deal with the matter.

26. NEXT MEETING.

It was decided that the next meetings will be held as follows:-

Sub-Committee meetings, Wednesday the 8th and Thursday the 9th August, 1945, commencing at 0930 hours on 8th August with the Fuel and Power Sub-Committee.

The Joint Economic Committee will meet at 0900 hours on Thursday, 10th August 1945.

D.P.F.A. TRUSSELL,
Major, HQM
Secretary
Yugoslav Joint Economic Commission

The Yugoslav representatives stated that their Government would like to establish tourist agencies in Gorizia and Trieste. The Chairman stated that this was a subject which must be referred to A.M.

24. CASED VEHICLES.

The Chairman reported to the meeting that until A.M. XII Corps is satisfied that:

- (a) a suitable storage and assembly site has been established, and
- (b) satisfactory and adequate contracts have been negotiated with civilian firms for their assembly;

all cased vehicles landed at Trieste will be cleared to Yugoslavia, encased, by rail.

24. REGULATION OF VEHICLES.

The Yugoslav representatives raised a query on restrictions which had been put on circulation of vehicles. The Committee considered that this was a matter which should properly be dealt with by A.M. XII Corps. SCAC undertook to deal with the matter.

26. NEXT MEETING.

It was decided that the next meetings will be held as follows:-

Sub-Committee meetings, Wednesday the 8th and Thursday the 9th August, 1945, commencing at 0930 hours on 8th August with the Fuel and Power Sub-Committee.

The Joint Economic Committee will meet at 0800 hours on Thursday, 10th August 1945.

D.F.V.4. THURSDAY,
Major, D.M.O.
Secretary
Yugoslav Joint Economic Commission

DISSEMINATIONCOPIES TO:

1	COM, AFHQ
2	D/COM, AFHQ
3	G-1(A), AFHQ
4	G-1(B), AFHQ
5/6	G-1 (Mov & In), AFHQ
7/8	G-2, AFHQ
9	AFHQ, AFHQ
10	US POLAD, AFHQ
11	USCIN, AFHQ
12	IN (Main) Rome, CDP
13	IN, 8 Army
14	SCAD, 8 Army
15	D.D. IN, 8 Army
16	AMG (Mov), 8 Army
17	G.C.C., XIII Corps
18	D.A. & Q.M.G., XIII Corps
19	Chief Commissioner, ALOM
20	IN ALOM
21/26	Technical Section, ALOM
27	Public Works & Utilities Sub-Commission, ALOM (Attn: Chief, Electrical Division)
28	Commerce Sub-Commission, ALOM (Attn: Coal Division)
29	Industry Sub-Commission, ALOM (Attn: Major R.C.D. Boyer)
30	American Embassy
31	British Embassy
32	SCAD, 8 Army Corps
33/34	USCIN, 8 Army Corps
35	Legal, 8 Army Corps
36	Finance, 8 Army Corps
37/38	Supplies, 8 Army Corps
39	Transportation, 8 Army Corps
40	Labour, 8 Army Corps
41	Public Works, 8 Army Corps
42/47	Geological Investigation
48/70	Spares

2 D/CAS, AFHQ
 3 G-4(A), AFHQ
 4 G-4(S), AFHQ
 5 G-5 (Mov & Tr), AFHQ
 6 G-5, AFHQ
 7 AFCS, AFHQ
 8 US POLAD, AFHQ
 9 RUSMIL, AFHQ
 10 Pa (Main) Room, CHC
 11 Hqs, 3 Army
 12 SCAG, 6 Army
 13 D.D. Pa, 3 Army
 14 APM (mov), 3 Army
 15 G.O.C., XIII Corps
 16 D.A. & A.H.G., XIII Corps
 17 Chief Commissioner, ALOCM
 18 HQ ALOCM
 19 Economic Section, ALOCM
 20 Public Works & Utilization Sub-Commission,
 21 ALOCM, (Attn: Chief, Electrical Division)
 22 Commerce Sub-Commission, ALOCM
 23 (Attn: Coal Division)
 24 Industry Sub-Commission, ALOCM
 25 (Attn: Major R.C.D. Bogan)
 26 American Embassy
 27 British Embassy
 28 SCAG, 1st XIII Corps
 29 D/SCAG, 1st XIII Corps
 30 Legal, 1st XIII Corps
 31 Finance, 1st XIII Corps
 32 Sup. Affs, 1st XIII Corps
 33 Transportation, 1st XIII Corps
 34 Labor, 1st XIII Corps
 35 Public Works, 1st XIII Corps
 36 Agricultural Delegation
 37 Opres
 38 21/26
 39 27
 40 23
 41 29
 42 30
 43 31
 44 32
 45 33/34
 46 35
 47 36
 48 37/38
 49 39
 50 40
 51 41
 52 42/43
 53 43/70

COPY NO. 17

HEADQUARTERS ALLIED LITHUANIAN FRONT
XIII CORPS, VILNIAUS, LITH.

11 July 1945

JOINT ECONOMIC COMMITTEE

JUL 25 1945

3. The third meeting of the Joint Economic Committee was held at 0900 hours, 11th July 1945, in the Main Conference Room, Trieste.

PARTICIPANTS

Chairman - Brigadier D. G. ARDRESON, C.B.E.
(Deputy Vice-President, Economic Section, ALCOM)

Members

Colonel R. L. BAILEY
Lt. Col. D. S. BICKERSTETH
Lt. Col. T. A. LAPPET

D. B. IN, 8 Army,
Chief, Electrical Division, Public Works & Utilities Sub-Commission ALCOM.
Coal Division, Commerce Sub-Commission, ALCOM.
Att'd Industry Sub-Commission, ALCOM.
Port Comd't, Trieste.

Lt. Col. C. G. OXLEY

Major R. G. D. MOYER

Major R. L. PHILLIPS

Mr. ROSE, SOCO

Ing. KOENIG, VIKTOR
Ing. DOLAN, LOUZE

Ing. BOLAN, MARKUS
Ing. PAVIC, JOZA
Ing. UJAC, FRANC

ZUKERT,
MASSILLIAN

In attendance- Colonel C. DOMAN

Major J. A. POHAR

Major G. A. S. S. S. S.

SCAO, AL, XIII Corps,
Att'd Industry Sub-Commission, ALCOM.
Mining Division, ALCOM.

9. MEMBERS

785017

conference room, Trieste.

REPORT

Chairman - Brigadier D. L. ANDERSON, C.B.E.
(Deputy Vice-President, Economic Section, ALCOM)

Members - Colonel A. E. MAREY, D.D.T., 8 Army.
Lt. Col. D. S. BICKERSTETH, Chief, Electrical Division, Public Works & Utilities Sub-Commission ALCOM.
Lt. Col. C. V. OXLEY, Coal Division, Commerce Sub-Commission, ALCOM.
Major A.C.D. ROYCE, Att'd Industry Sub-Commission, ALCOM.
Major A.L. FLETCHER, Port Comd't, Trieste, ALCOM.

Mr. KOBE, SOLO
Ing. KONIN, VIKTOR
Ing. DOLAN, LOJZE
Ing. BOLAN, MARIJAN
PRONJIC, SOZA
ULJIC, KLANC
ZUMER, LASKI
In attendance - Colonel S.C. ROWAN, S.O., XII Corps, Mining Division, ALCOM.

9. MINUTES OF PREVIOUS MEETING.
The election of Ing. ULJIC LOJZE to membership on the Joint Economic Committee was approved.

3884

10. MINUTES OF PREVIOUS MEETING.
It was agreed that paragraph 2-b-iv of the minutes of the last meeting of the Joint Economic Committee be amended to read:-

"That production which is surplus to the needs of Yugoslavia be allocated to consumers by the Joint Yugoslav-JAG Industry Commerce Sub-Committee and that JAG be asked to assist with the transportation required to move the coal."

It was further...

It was further...

35/

It was further agreed that paragraph 4-d of the minutes of the last meeting of the Joint Economic Committee be amended to read:-

"That the Yugoslav traffic from Trieste will be forwarded in sealed or guarded wagons to a transit station to be agreed, free from customs examination."

With the exception of the above, the minutes of the second meeting held on 20th June 1945 were approved.

11. PRIORITY OF DISCHARGE AT TRIESTE.

The Yugoslav delegation asked that priority be given to Yugoslav imports through the Port of Trieste over civilian imports to Austria, Hungary and Germany. The Chairman said that it would probably be some considerable time before any such imports would arrive and that the Yugoslav Government should send a formal request for the priority they sought to the Supreme Allied Commander, AFHQ.

12. FUEL & POWER SUB-COMMITTEE.

The minutes of the meeting of the Fuel & Power Sub-Committee meeting held on 9th July 1945 were received.

Paragraph 2, last paragraph, was amended to read:-

"It was further recommended that if the Soc. Elettrica della Venezia Giulia find it necessary to make any personnel changes or to send an employee into Yugoslav controlled territory, approval should first be obtained from Yugoslav technical representative."

The Chairman said that the Area Mines used to produce some 100,000 tons of coal a month and there is a world coal shortage at present. In the view of the American and British authorities, any source of coal supply should be exploited to the full and it was therefore to be regretted that the Yugoslav authorities had decided that the American and British experts should not visit the mines with a view to advising their Governments as to the extent of the assistance Yugoslavia would require to get production up to its old level.

With the exceptions noted above, the minutes of the

Excluded
Planned
Satisfied
"End"

7850, 7

11. PRIORITY OF IMPORTS
- The Yugoslav delegation asked that priority be given to Yugoslav imports through the Port of Trieste over civilian imports to Austria, Hungary and Germany. The Chairman said that it would probably be some considerable time before any such imports would arrive and that the Yugoslav Government should send a formal request for the priority they sought to the Supreme Allied Commander, AMIG.

12. FURN. & HOTEL SUPPLY COMPANY.

The minutes of the meeting of the Fuel & Power
tee meeting held on 9th July 1945 were received.

Sub-Committee meeting, held on 10/11/50, was amended to read:-

Paragraph 4, line 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845

"It was further recommended that if the Soc. Elettrica della Venezia Giulia find it necessary to make any personnel changes or to send an employee into Yugoslav controlled territory, approval should first be obtained from Yugoslav technical representatives."

The Chairman said that the Arsa Mines used to produce some 100,000 tons of coal a month and there is a world coal shortage at present. In the view of the American and British authorities, any source of coal supply should be exploited to the full and it was therefore to be regretted that the Yugoslav authorities had decided that the American and British experts should not visit the mines with a view to advising their governments as to the extent of the assistance Jugoslavia would require to get production up to its old level. The minutes of the

With the exceptions raised above, the meeting of the Fuel Power Sub-Committee held on 9th July 1945 were approved.

13. INDUSTRIAL & COMMERICAL SUPPLY CO. 4111 W. 13TH
1945 WED. 11/15/45

13. INDUSTRY & COMMERCE - The minutes of the meeting of the Industry & Commerce Sub-Committee held on 9th July 1945 were received and approved with the following change:-

paragraph 6 was amended to read:-

no requests . . .

- 3 -

"No requests other than those contained in paragraph 4 above were submitted for the time being by the Yugoslav representatives for materials from Anglo-American occupied territory."

The Yugoslav Delegation suggested that an amendment be made to Appendix I, para 1-c, last paragraph of the Agreement reached between the Supreme Allied Commander, Mediterranean Theatre of Operations and the Supreme Commander of the Yugoslav Army. The Joint Economic Committee agreed that any alteration of the Agreement was a matter which should be raised in the first instance between the two Commanders and that the Committee could not alter the Agreement.

It was agreed that where verbal agreements had been made for the supply of goods to Yugoslavia and no written contract had been signed, copies of relevant correspondence should be submitted to the Industry & Commerce Sub-Committee for examination.

14. TRANSPORTATION SUB-COMMITTEE

The Minutes of the meeting of the Transportation Sub-Committee held on 9/10th July 1945 were received and approved with the following changes:-

At the end of paragraph 6-b, add:-

"All the foregoing to be in accordance with the Agreement contained in paragraph 4-f of the minutes of the second meeting of the Joint Economic Committee held on 29th June 1945."

The Anglo-American representatives reported that the Trieste (Campo-Marzio) - Villa Opicina line was now open and that reference thereto should therefore be deleted.

It was agreed that the recommendations contained in paragraph 4 of the Sub-Committee minutes on the administration of railways in Venezia Giulia should be referred to the Yugoslav Government and to ~~AMG~~ for their views before further action could be taken by the Joint Economic Committee.

It was confirmed that traffic on all lines opened would be resumed as soon as possible.

that the Committee could not alter the agreement. It was agreed that where verbal agreements had been made for the supply of goods to Yugoslavia and no written contract had been signed, copies of relevant correspondence should be submitted to the Industry & Commerce Sub-Committee for examination.

14. TRANSPORTATION SUB-COMMITTEE

The Minutes of the meeting of the Transportation Sub-Committee held on 9/10th July 1945 were received and approved with the following changes:-

At the end of paragraph 6-b, add:-

"All the foregoing to be in accordance with the Agreement contained in paragraph 4-f of the minutes of the second meeting of the Joint Economic Committee held on 29th June 1945."

The Anglo-American representatives reported that the Trieste (Campo-Marzio) - Villa Opicina line was now open and that reference thereto should therefore be deleted.

It was agreed that the recommendations contained in paragraph 4 of the Sub-Committee minutes on the administration of railways in Venezia Giulia should be referred to the Yugoslav Government and to ^{the} HQ for their views before further action could be taken by the Joint Economic Committee.

It was confirmed that traffic on all lines ^{opened} would be resumed as soon as possible. 300 1/2

It was reported that such monies as were necessary for the payment of Italian State Railway employees in the Yugoslav Zone would be released by ^{the} XII Corps, subject to the receipted payrolls being returned after completion to the Head Office of the railways in Trieste.

The Chairman raised the question of a letter written by the Chief of the Yugoslav Delegation in which that Delegation had questioned the responsibility of the Economic Committee to take decisions in matters affecting the receipt of USMA supplies in the Port of Trieste and their transport therefrom. The Chairman said the Committee was clearly

/responsible under . . .

33

responsible under the terms of Appendix I of the Agreement of the 20th of June.

It was then agreed that the only authority which would be recognized in connection with the operation of the Port of Trieste and the transportation facilities therefrom would be the Transportation Sub-Committee of the Joint Economic Committee.

15. SAFETY VEHICLES - ROVE OF VEHICLES.

In connection with item 3. of the Transportation Sub-Committee meeting minutes, it was pointed out that the sudden arrival of 7000 cased vehicles would obstruct the docks and that the Yugoslav Government in cooperation with the AMG should find a suitable open space in the vicinity of the docks where the assembly could take place. They undertook to do this and the Anglo-American Delegation undertook that AMG would give any assistance they could to effect their rapid clearance. The Yugoslav Delegation stated that the work of assembly would be carried out by contracts with local firms.

16. DATE OF THE NEXT MEETING.

It was decided that the next meetings will be held as follows:-

Sub-Committee meetings, Monday 23rd, and Tuesday 24th July 1945, commencing 0930 hours on 23rd July with the Fuel and Power Sub-Committee.

Joint Economic Committee 0900 hours on Wednesday, 25th July 1945.

[Signature]
S. J. D. LOUDON
Major, D. I. C.
Secretary

Joint Economic Committee

It was then agreed that the only authority which would be recognized in connection with the operation of the Port of Trieste and the transportation facilities therefrom would be the Transportation Sub-Committee of the Joint Economic Committee.

15. CASED VEHICLES - PORT OF TRIESTE.

In connection with item 8. of the Transportation Sub-Committee meeting minutes, it was pointed out that the sudden arrival of 7000 cased vehicles would obstruct the docks and that the Yugoslav Government in cooperation with the AMG should find a suitable open space in the vicinity of the docks where the assembly could take place. They undertook to do this and the Anglo-American Delegation undertook that AMG would give any assistance they could to effect their rapid clearance. The Yugoslav Delegation stated that the work of assembly would be carried out by contracts with local firms.

16. DATE OF THE NEXT MEETING.

It was decided that the next meetings will be held as follows:-

Sub-Committee meetings, Monday 23rd, and Tuesday 24th July 1945, commencing 0830 hours on 23rd July with the Fuel and Power Sub-Committee.

Joint Economic Committee 0900 hours on Wednesday, 25th July 1945.

S. J. M. LOUDEN
Major, DCS
Secretary
Joint Economic Committee

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NOTES

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1	C.O.
2	D/O
3	(-4), AFHQ
4	(-4), AFHQ
5/6	(-4) (mov), AFHQ
7/8	(-5), AFHQ
9	AFHQ, AFHQ
10	Tn (ain) Case, AFHQ
11	Q, 8 Army
12	SCAO, 8 Army
13	D.D. Tn, 8 Army
14	AAG (mov), 8 Army
15	C.O.C., XIII Corps
16	D.A. C.O.C., XIII Corps
17	Chief Commissioner, AFHQ
18	TG AFHQ
19/24	Economic Section, AFHQ
25	Public Works Utilities Sub-Commission, AFHQ, (attn: Chief, Electrical Division)
26	Commerce Sub-Commission, AFHQ (attn: Coal Division)
27	Industry Sub-Commission, AFHQ (attn: Major R.C.D. Roger)
28	American Embassy
29	British Embassy
30	SCAO, ANG XIII Corps
31/32	D/O, AFHQ XIII Corps
33	Legal, AFHQ XIII Corps
34	Finance, AFHQ XIII Corps
35/36	Supplies, AFHQ XIII Corps
37	Transportation, AFHQ XIII Corps
38	Labour, AFHQ XIII Corps
39	Public Works, AFHQ XIII Corps
40/45	Jugoslav Delegation
46/70	Spares,

4045

31

CONFIDENTIAL

HEADQUARTERS ALLIED COMMISSION
AFC 394
Office of the Executive Commissioner

Ref: 805/EC.

23 July 1945.

SUBJECT: Notes on visit to TRIESTE by
Executive Commissioner.

TO : Distribution below.

EXTRACT

X X X X X X X X X X

8. Economic and Industrial Committees. The participation of VENEZIA GIULIA in the discussions of the Economic and Industrial Committee of Northern Italy was discussed and rejected. It was, however, decided that close touch should be kept by means of Allied officers with these Committees and the minutes or records of the meetings should be sent to VENEZIA GIULIA.

3879

3878

4045

Ex. Comm 30

8/39
JULY 1947-GB

P/415
JULY 200639
PRIORITY

Flora AID 13 CORPS
HQ ALGON FOR MISS ANDERSON

JUL 20 1945

UNCLASSIFIED.

Are you bringing secretaries and interpreters for next conference
JUGOSLAV Joint Economic Committee.

DIST

ACTION - ECON SEC 2
INFO - CHIEF COMMISSIONER
EX COMMISSIONER
FILE 2
FLOAT



3877

GP
PA
4/7

(Capt. Anderson)

785017

Tel. 408

HEAD-QUARTERS ALLIED COMMISSION
AND 704
ECONOMIC SECTION
PRODUCTION DIVISION

DEALING

Ref. Y3/147

18 July 1945

JUL 18 1945

SUBJECT: Joint Economic Committee

TO : Assistant Chief of Staff
G26 Section, AFHQ

1. With reference to the attached Minutes of the meeting of the Joint Economic Committee, Venezia Giulia, I was directed by the Committee to refer question of the administration of the railways in Venezia Giulia to you for guidance. Reference to this will be found in the fourth sub-paragraph of paragraph 14. of the Minutes of the main Committee meeting. Paragraph 4. of the Transportation Sub-Committee minutes recommends that all railways in Venezia Giulia be administered as one unit.

2. Col. Barclay, D.D.T., 8 Army, is of the opinion that this would be the most efficient way of administering the railways, but it seems to me that to make the railways of Venezia Giulia one unit and consider them as being separate from the Italian State Railways of which they are at the moment a part, might well have a political significance and might prejudice the decision which has to be made at the peace conference as to the future of Venezia Giulia.

For the Chief Commissioner

D. L. ANDERSON
Brigadier 3875
Deputy Vice-President

Enclosure

Copy to:

D. L. R. S. AFHQ
SCAG, VIII Corps
D. D. T. 8 Army
Transportation S/C

(Copy Akahay)

See H 25 K
29.

COPY NO. 21

HEADQUARTERS ALLIED MILITARY GOVERNMENT
XIII CORPS, TRIESTE, ITALY

11 July 1945

JOINT ECONOMIC COMMISSION Minutes

JUL 18 1945

8. The third meeting of the Joint Economic Committee was held at 0900 hours, 11th July 1945, in the Main Conference Room, Trieste.

PRESENT

Chairman - Brigadier D. L. ANDERSON, C.B.E.
(Deputy Vice-President, Economic Section, ALCOM)

Members - Colonel A. W. BAILEY
Lt. Col. D. S. BICKERSTETH
Lt. Col. T. M. LAPPER
Lt. Col. C. V. OXLEY
Major R. C. D. ROUER
Major R. L. PERRY
Mr. KOBE, BOZO
Ing. KOSIK, VILSON
Ing. DELAN, LOUZE
Ing. DOLAN, MARJAN
Ing. PEROVIC, JOZA
Ing. VASIC, FRANC
Ing. ZUGLIAI,
LIEBELTILIAN

Ing. KOSIK, VILSON
Ing. DELAN, LOUZE
Ing. DOLAN, MARJAN
Ing. PEROVIC, JOZA
Ing. VASIC, FRANC
Ing. ZUGLIAI,
LIEBELTILIAN

In attendance- Colonel A. C. LOMAN
Major J. B. PODER
Major G. J. BUNCH

9. ABSENTEE

D. D. Tn, 8 Army.
Ing. A. M. XIII Corps.
Chief, Electrical Division, Public Works & Utilities Sub-Commission ALCOM.
Coal Division, Commerce Sub-Commission, ALCOM.
Arm. Act'd Industry Sub-Commission, ALCOM.
Port Comdt, Trieste.
Jugoslavia (Chief of Delegation).
Jugoslavia (Industry).
Jugoslavia (Fuel & Power).
Jugoslavia (Industry).
Jugoslavia (Commerce).
Jugoslavia (Commercial Transport).
Jugoslavia (Transport Technical Services).
SCAO, ALM, XIII Corps.
ALM, XIII Corps.
Mining Division, ALCOM.

Members - Colonel A. H. RARLEY, D.D.M., 8 Army.
 Lt. Col. D. S. WICKHAMSTER, Lt. Col. T. M. LAPPER, Chief, Electrical Division, Public Works & Utilities Sub-Commission ALCON.
 Lt. Col. C. W. OXLEY, Coal Division, Commerce Sub-Commission, ALCON.
 Major R. C. D. DOWLER, ALQ, act'd Industry Sub-Commission, ALCON.
 Major R. L. PREPITT, Port Comd't, Trieste.
 Dr. KOBE, BOZO, Yugoslavia (Chief of Delegation).
Ing. INJ. KONIK, VIKTOR, Yugoslavia (Industry).
 Ing. DOLAN, MARKIJAN, Yugoslavia (Fuel & Power).
 PEROVIC, JOZA, Yugoslavia (Industry).
 URSIC, MILANC, Yugoslavia (Commerce).
 ZURCINI, LADISLAVILJAN, Yugoslavia (Commercial Transport).
In attendance - Colonel A. C. POMAN, Yugoslavia (Transport Technical Services).
 Major J. E. POMER, SCAG, ALQ, XIII Corps.
 Major C. J. HATCH, ALQ, XIII Corps, Mining Division, ALCON.

9. MEMBERS IP.

The election of Ing. VULKA LOUZE to membership on the Joint Economic Committee was approved.

10. MINUTES OF PREVIOUS MEETING.

It was agreed that paragraph 2-b-iv of the minutes of the last meeting of the Joint Economic Committee be amended to read:-

"That production which is surplus to the needs of Yugoslavia be allocated to consumers by the Joint Yugoslav-ALQ Industry Commerce Sub-Committee and that ALQ be asked to assist with the transportation required to move the coal."

It was further. . .

(brought back by Eric...)
 from R.C. Conference 11.5.54

(over 3000)

- 2 -

It was further agreed that paragraph 4-d of the minutes of the last meeting of the Joint Economic Committee be amended to read:-

"That the Yugoslav traffic from Trieste will be forwarded in sealed or guarded wagons to a transit station to be agreed, free from customs examination."

With the exception of the above, the minutes of the second meeting held on 28th June 1945 were approved.

11. PRIORITY OF IMPORTS AND EXPORTS.

The Yugoslav delegation asked that priority be given to Yugoslav imports through the Port of Trieste over civilian imports to Austria, Hungary and Germany. The Chairman said that it would probably be some considerable time before any such imports would arrive and that the Yugoslav Government should send a formal request for the priority they sought to the Supreme Allied Commander, AFIQ.

12. FUEL & POWER SUB-COMMITTEE.

The minutes of the meeting of the Fuel & Power Sub-Committee meeting held on 9th July 1945 were received.

Paragraph 2, last paragraph, was amended to read:-

"It was further recommended that if the Soc. Elettricità della Venezia Giulia find it necessary to make any personnel changes or to send an employee into Yugoslav controlled territory, approval should first be obtained from Yugoslav technical representative."

The Chairman said that the Area Mines used to produce some 100,000 tons of coal a month and there is a world coal shortage at present. In the view of the American and British authorities, any source of coal supply should be exploited to the full and it was therefore to be regretted that the Yugoslav authorities had decided that the American and British experts should not visit the mines with a view to advising their Governments as to the extent of the assistance Yugoslavia would require to let production up to its old level.

With the exceptions raised above, the minutes of the

given to Yugoslavia, Austria, Hungary and Germany. The Chairman said that it would probably be some considerable time before any such imports would arrive and that the priority they sought to the Supreme Allied Commander, AFIQ.

12. FUEL & POWER SUB-COMMITTEE.

The minutes of the meeting of the Fuel & Power Sub-Committee meeting held on 9th July 1945 were received.

Paragraph 2, last paragraph, was amended to read:-

"It was further recommended that if the Soc. Elettrica della Venezia Giulia find it necessary to make any personnel changes or to send an employee into Jugoslav territory, approval should first be obtained from Jugoslav technical representative."

The Chairman said that the Area Mines used to produce some 100,000 tons of coal a month and there is a world coal shortage at present. In the view of the American and British authorities, any source of coal supply should be exploited to the full and it was therefore to be regretted that the Jugoslav authorities had decided that the American and British experts should not visit the mines with a view to advising their Governments as to the extent of the assistance Jugoslavia would require to get production up to its old level.

With the exceptions raised above, the minutes of the meeting of the Fuel & Power Sub-Committee held on 9th July 1945 were approved.

13. INDUSTRY & COMMERCE SUB-COMMITTEE.

The minutes of the meeting of the Industry & Commerce Sub-Committee held on 9th July 1945 were received and approved with the following change:-

Paragraph 6 was amended to read:-

200 requests . . .

3673

- 3 -

"No requests other than those contained in paragraph 4 above were submitted for the time being by the Yugoslav representatives for materials from Anglo-American occupied territory."

The Yugoslav Delegation suggested that an amendment be made to Appendix I, para 1-c, last paragraph of the Agreement reached between the Supreme Allied Commander, Mediterranean Theatre of Operations and the Supreme Commander of the Yugoslav Army. The Joint Economic Committee agreed that any alteration of the Agreement was a matter which should be raised in the first instance between the two Commanders and that the Committee could not alter the Agreement.

It was agreed that where verbal agreements had been made for the supply of goods to Yugoslavia and no written contract had been signed, copies of relevant correspondence should be submitted to the Industry & Commerce Sub-Committee for examination.

14. TRANSPORTATION SUB-COMMITTEE

The Minutes of the meeting of the Transportation Sub-Committee held on 9/10th July 1945 were received and approved with the following changes:-

At the end of paragraph 6-b, add:-

"ALL the foregoing to be in accordance with the Agreement contained in paragraph 4-f of the minutes of the second meeting of the Joint Economic Committee held on 29th June 1945."

The Anglo-American representatives reported that the Trieste (Campo-Marzio) - Villa Opicina line was now open and that reference thereto should therefore be deleted.

It was agreed that the recommendations contained in paragraph 4 of the Sub-Committee minutes on the administration of railways in Venezia Giulia should be referred to the Yugoslav Government and to the Joint Economic Committee for their views before further action could be taken by the Joint Economic Committee.

It was confirmed that traffic on all lines opened would be resumed as soon as possible.

It was agreed that where verbal agreements had been made for the supply of goods to Yugoslavia and no written contract had been signed, copies of relevant correspondence should be submitted to the Industry & Commerce Sub-Committee for examination.

14. TRANSPORTATION SUB-COMMITTEE

The Minutes of the meeting of the Transportation Sub-Committee held on 9/10th July 1945 were received and approved with the following changes:-

At the end of paragraph 6-b, add:-

"All the foregoing to be in accordance with the Agreement contained in paragraph 4-f of the minutes of the second meeting of the Joint Economic Committee held on 20th June 1945."

"The Anglo-American representatives reported that the Trieste (Campo Marzio) - Villa Opicina line was now open and that reference thereto should therefore be deleted.

It was agreed that the recommendations contained in paragraph 4 of the Sub-Committee minutes on the administration of railways in Venezia Giulia should be referred to the Yugoslav Government and to them for their views before further action could be taken by the Joint Economic Committee.

It was confirmed that traffic on all lines opened would be resumed as soon as possible.

It was reported that such monies as were necessary for the payment of Italian State Railway employees in the Yugoslav zone would be released by the XIII Corps, subject to the receipted payrolls being returned after completion to the Head Office of the railways in Trieste.

The Chairman raised the question of a letter written by the Chief of the Yugoslav Delegation in which that Delegation had questioned the responsibility of the Economic Committee to take decisions in matters affecting the receipt of UNRRA supplies in the Port of Trieste and their transport therefrom. The Chairman said the Committee was clearly

/responsible under . . .

responsible under the terms of Appendix I of the Agreement of the 20th of June.

It was then agreed that the only authority which would be recognised in connection with the operation of the Port of Trieste and the transportation facilities therefrom would be the Transportation Sub-Committee of the Joint Economic Committee.

15. CASERVA FIELDS - PORT OF TRIESTE.

In connection with item 3. of the Transportation Sub-Committee meeting minutes, it was pointed out that the sudden arrival of 7000 cases would obstruct the docks and that the Yugoslav Government in cooperation with the AMG should find a suitable open space in the vicinity of the docks where the assembly could take place. They undertook to do this and the Anglo-American Delegation undertook that AMG would give any assistance they could to effect their rapid clearance. The Yugoslav Delegation stated that the work of assembly would be carried out by contracts with local firms.

17. DATE OF NEXT MEETING.

It was decided that the next meetings will be held as follows:-

Sub-Committee meetings, Monday 23rd, and Tuesday 24th July 1945, commencing 0930 hours on 23rd July with the Fuel and Power Sub-Committee.

Joint Economic Committee 0900 hours on Wednesday, 25th July 1945.

S. J. LOUDEN
Major, DCMG
Secretary
Joint Economic Committee

13. CASED VEHICLES - POINT OF INTEREST

In connection with item 5, of the Transportation Sub-Committee meeting minutes, it was pointed out that the sudden arrival of 7000 cased vehicles would obstruct the docks and that the Yugoslav Government in cooperation with the AMG should find a suitable open space in the vicinity of the docks where the assembly could take place. They undertook to do this and the Anglo-American Delegation undertook that AMG would give any assistance they could to effect their rapid clearance. The Yugoslav Delegation stated that the work of assembly would be carried out by contracts with local firms.

14. DATE OF THE NEXT MEETING.

It was decided that the next meetings will be held as follows:-

Sub-Committee meetings, Monday 23rd, and Tuesday 24th July 1945, commencing 0930 hours on 23rd July with the Fuel and Power Sub-Committee.

Joint Economic Committee 0900 hours on Wednesday, 25th July 1945.

S. J. LOUDEM
Major, DPMG
Secretary
Joint Economic Committee

DISCUSSION

EXPLANATION

1	CAO, AMQ
2	IVCLO, AMQ
3	6-4 (), AMQ
4	6-4 (), AMQ
5/6	6-4 (), AMQ
7/8	6-5, AMQ
9	AMQ, AMQ
10	AMQ (main) Home, CAP
11	AMQ, 8 Army
12	CAO, 8 Army
13	P.D. Tn, 8 Army
14	AMQ (mov), 8 Army
15	U.S.C., AMQ Corps
16	D.A. C. 2, AMQ Corps
17	Chief Commissioner, AMQ Corps
18	AMQ, AMQ
19/24	Economic Section, AMQ
25	Public Works, Utilities Sub-Commission, AMQ
26	Commerce Sub-Commission, AMQ
27	Industry Sub-Commission, AMQ
28	American Embassy
29	British Embassy
30	CAO, AMQ-AMQ Corps
31/32	D/CAO, AMQ-AMQ Corps
33	Legal, AMQ-AMQ Corps
34	Finance, AMQ-AMQ Corps
35/36	Supplies, AMQ-AMQ Corps
37	Transportation, AMQ-AMQ Corps
38	Labour, AMQ-AMQ Corps
39	Public Works, AMQ-AMQ Corps
40/45	Yugoslav Delegation
46/70	Spares.

5/6 C-4 (Gov. B), ALCM
 7/8 C-5, ALCM
 9 C-6, ALCM
 10 C-7 (Main) Home, CMT
 11 C-8 Army
 12 C-9, 8 Army
 13 D.D. M, 8 Army
 14 C-10 (mov), 8 Army
 15 C-11, XIII Corps
 16 D.D. C., XIII Corps
 17 Chief Commissioner, ALCM
 18 HQ ALCM
 19/24 Economic Section, ALCM
 25 Public Works Utilities Sub-Commission,
 ALCM, (Attn: Chief, Electrical Division)
 26 Commerce Sub-Commission, ALCM
 (Attn: Coal Division)
 27 Industry Sub-Commission, ALCM
 (Attn: Major R.C.D. Roger)
 28 American Embassy
 29 British Embassy
 30 C-12, AMG-XIII Corps
 31/32 D/32, AMG-XIII Corps
 33 Legal, AMG-XIII Corps
 34 Finance, AMG-XIII Corps
 35/36 Supplies, AMG-XIII Corps
 37 Transportation, AMG-XIII Corps
 38 Labour, AMG-XIII Corps
 39 Public Works, AMG-XIII Corps
 40/45 Yugoslav Delegation
 46/70 Opares.

COPY NO. 11HEADQUARTERS ALLIED MILITARY GOVERNMENT
XIII CORPS, TRIESTE, ITALY

9 July 1945

JUL 18 1945

JOINT ECONOMIC COMMITTEE

AGENDA

The third meeting of the Joint Economic Committee (per Agreement of 20th June 1945, between the Supreme Allied Commander Mediterranean Theatre of Operations and the Supreme Commander of the Yugoslav Army) will be held at 0900 hours on Wednesday, 11th July 1945, in the A.M.G. Main Conference Room, No. 68, Headquarters A.M.G., XIII Corps, Trieste, to consider the following agenda:-

1. Minutes of the second meeting held on 29th June 1945.
2. To consider the minutes of the meetings of the following Sub-Committees:-
 - (a) Fuel & Power Sub-Committee meeting of 9th July 1945 (Appendix "A").
 - (b) Commerce & Industry Sub-Committee meeting of 9th July 1945 (Appendix "B").
 - (c) Transportation Sub-Committee meeting of the 9th July 1945 (Appendix "C").
3. Any other business.
4. To set a date for the next meeting.

S. J. B. LOUDEN
Major, D.M.C.

AGENDA

The third meeting of the Joint Economic Committee (per Agreement of 20th June 1945, between the Supreme Allied Commander Mediterranean Theatre of Operations and the Supreme Commander of the Yugoslav Army) will be held at 0900 hours on Wednesday, 11th July 1945, in the A.S.G. Main Conference Room, No. 62, Headquarters A.S.G., XIII Corps, Trieste, to consider the following agenda:-

1. Minutes of the second meeting held on 20th June 1945.
2. To consider the minutes of the meetings of the following Sub-Committees:-
 - (a) Fuel & Power Sub-Committee meeting of 9th July 1945 (Appendix "A").
 - (b) Commerce & Industry Sub-Committee meeting of 9th July 1945 (Appendix "B").
 - (c) Transportation Sub-Committee meeting of the 9th July 1945 (Appendix "C").
3. Any other business.
4. To set a date for the next meeting.

E. J. D. Loudan
 S. J. D. LOUDAN
 Major, D.M.C.
 Secretary
 Joint Economic Committee

APPENDIX "A"

COPY NO. _____

HEADQUARTERS
XIII CORPS, TRIESTE, ITALY
YUGOSLAV GOVERNMENT

9 July 1945

JOINT ECONOMIC COMMITTEEFuel & Power Sub-Committee - Minutes

1. The second meeting of the Fuel & Power Sub-Committee was held at 0930 hours on Monday, 9th July 1945, in the HQ AMG, XIII Corps, Economic Section Conference Room, Trieste.

PRESENCE

Chairman - Lt. Col. W. M. LAPPIN

Members - Lt. Col. C. W. OXLEY
Ing. ROYAL VILTOR
Ing. MARILAN DOLAN

(Director, Public
Works & Utilities Sub-
Commission, HQ ALCOM)
Coal Division, HQ ALCOM
Jugoslavia (Industry)
Jugoslavia (Industry)

In Attendance

Major G. F. HATCH

Mining Division,
HQ ALCOMMajor J. E. FODEN
Dr. KODE BOZOA.M.C.
Jugoslavia (Chief of
Delegation)

Ing. DULAN LOZEN

Jugoslavia (Industry)

2. ELECTRIC POWER OPERATION IN VENEZIA GIULIA

It was agreed that the Soc. Elettrica della Venezia Giulia should continue to operate in that part of Venezia Giulia controlled by the Yugoslav Government.

It was recommended to the Committee that a Yugoslav technical representative be appointed to handle difficulties arising in their area. In the event of inability to reach a local settlement, he would contact HQ AMG, XIII Corps (Major FODEN, J.E., Telephone Extension 45) in order that a joint approach could be made to the Head Office of the Electric Company.

Fuel & Power Sub-Committee - Minutes

1. The second meeting of the Fuel & Power Sub-Committee was held at 0920 hours on Monday, 8th July 1945, in the HQ AMG, XIII Corps, Economic Section Conference Room, Trieste.

PRESENT

Chairman - Lt. Col. W. M. LAPPET

(Director, Public Works & Utilities Sub-Commission, HQ ALCON)
Coal Division, HQ ALCON
Jugoslavia (Industry)
Jugoslavia (Industry)

Members

- Lt. Col. C. T. OXLEY
Ing. KOVNER VILTOR
Ing. MANILJAN BOLJAN

In Attendance

Major G. F. HATCH Mining Division, HQ ALCON
Major J. E. FODEN A.M.G.
Dr. KOBE BOZO Jugoslavia (Chief of Delegation)
Ing. DULAR LOJZE Jugoslavia (Industry)

2. ELECTRIC POWER OPERATION IN VENEZIA GIULIA

It was agreed that the Soc. Elettrica della Venezia Giulia should continue to operate in that part of Venezia Giulia controlled by the Yugoslav Government.

It was recommended to the Committee that a Yugoslav technical representative be appointed to handle difficulties arising in their area. In the event of inability to reach a local settlement, he would contact HQ, AMG, XIII Corps (Major FODEN, J.R., Telephone Extension 45) in order that a joint approach could be made to the Head Office of the Electric Company.

It was further recommended that if the Soc. Elettrica della Venezia Giulia find it necessary to send an employee into Yugoslav controlled territory, approval should first be obtained from the Yugoslav technical representative.

3. FUEL

The Yugoslav representatives stated that work had now been commenced on the ALFA mines, 1500 workers being employed, and that it was hoped to start production in ten days' time working up to 1000 tons per day. Repair on the port facilities was in hand; it was hoped to clear the mines in four days' time and to complete the port clearance to permit of the handling of 1000 tons of coal per day within the next ten days, with steamers of not more than 300 tons. 3868

/The Yugoslav.

- 2 -

16

The Yugoslav representatives are of the opinion that everything possible is being done to reactivate these mines in the shortest possible time to give a maximum production of 25,000 tons per month, and consider that the work could not be speeded up by assistance from Anglo-American sources. Beyond a monthly production of 25,000 tons, materials but not technical staff would be needed from Anglo-American sources.

In view of the above, the Yugoslav representatives were of the opinion that the formation of a joint committee of Yugoslav and A.M.C. experts to visit the ARSA mines was not necessary.

The Yugoslav representatives stated that only after the Yugoslav needs from the ARSA mines had been satisfied could the balance be declared for allocation by the Industry & Commerce Sub-Committee of the Joint Economic Committee. As the Sub-Committee was unable to reach an agreement on the subject, it was referred to the Committee for a ruling.

4. The meeting was adjourned at 1215 hours.

J. J. B. Loudon
D. J. B. LOUDON
Major, MAQC
Secretary
Joint Economic Committee

could not be speeded up by means of 25,000 tons of American sources. Beyond a monthly production of 25,000 tons, but not technical staff would be needed from Anglo-American sources.

In view of the above, the Yugoslav representatives were of the opinion that the formation of a joint committee of Yugoslav and A.E.C. experts to visit the ARSA mines was not necessary.

The Yugoslav representatives stated that only after the Yugoslav needs from the ARSA mines had been satisfied could the balance be declared for allocation by the Industry & Commerce Sub-Committee of the Joint Economic Committee. As the Sub-Committee was unable to reach an agreement on the subject, it was referred to the Committee for a ruling.

4. The meeting was adjourned at 1215 hours.

S. J. D. Loudon
S. J. D. LOUDON
Major, MAQIG
Secretary
Joint Economic Committee

15

DISTRIBUTION

CONF 12.

- | | |
|------|---|
| 1 | Chairman, Joint Economic Committee, |
| 2 | U. S. Army, |
| 3 | Asst. Dir. Corps (Lt. Col. Dickertoth). |
| 4 | Director, Public Works & Utilities Sub- |
| | Commission, HQ ALCOA. |
| 5 | Coal Division, Commerce Sub-Commission, |
| | HQ ALCOA. |
| 6 | Industry Sub-Commission, HQ ALCOA. |
| 7 | ALCOA (Gov), 8 Army. |
| 8 | File. |
| 9/20 | Spares. |

Chairman, Joint Economic Committee,
D.E.M., 3 Army.
Lt. Col. Hickersteth).
Director, Public Works & Utilities Sub-
Commission, HQ AFCE.
Coal Division, Commerce Sub-Commission,
HQ AFCE.
Industry Sub-Commission, HQ AFCE.
AGC (gov), 3 Army,
File.
Spare.

9/20

APPENDIX "B"

COPY NO. _____

HEADQUARTERS ALLIED MILITARY GOVERNMENT
XIII CORPS, TRIESTE, ITALY

9 July 1945

JOINT ECONOMIC COMMITTEEIndustry & Commerce Sub-Committee - Minutes

1. The second meeting of the Industry & Commerce Sub-Committee was held at 1430 hours, 9th July 1945, in the HQ AMG, XIII Corps, Economic Section Conference Room, Trieste.

PRESENT

Chairman - Lt. Col. D. S. BICKERSTETH HQ, AMG, XIII Corps.

Members - Major R. C. D. DOHER Industry Sub-Commission, HQ ALCOM, Yugoslavia (Trade and Supply).
 PRLOWIC, JOSE

Ing. BOLJAN, MILUTIN Industry (Industry).
 Ing. KOMAR, VIKTOR Yugoslavia (Industry).

In Attendance

Major G. P. HAYDON Mining Division, HQ, ALCOM.

Dr. KORE, BOZO Yugoslavia (Chief of Delegation).

Ing. DULAR, LOJZE Yugoslavia (Industry).

2. REPORT OF FIRST MEETING

The Yugoslav representatives stated that the quantity of crude oil which they hoped to have refined in AMG territory amounted to 2/4000 tons per month. HQ AMG, XIII Corps representative undertook to investigate the possibility of the refining being effected.

Industry & Commerce Sub-Committee - Minutes

1. The second meeting of the Industry & Commerce Sub-Committee was held at 1430 hours, 9th July 1945, in the HQ AMG, XIII Corps, Economic Section Conference Room, Trieste.

PRESIDENT

Chairman - Lt. Col. D. S. BICKERSTETH HQ, AMG, XIII Corps.

Members

Major	R. C. D. DOGGER	Industry Sub-Commission, HQ ALCOM, Yugoslavia (Trade and Supply).
Ing.	PHILIPIC, JOSE	Jugoslavia (Industry).
Ing.	DOLGAN, JACQUES	Jugoslavia (Industry).
	KOMAR, VIKTOR	Jugoslavia (Industry).

In Attendance

Major	G. F. HATCH	Mining Division, HQ, ALCOM.
Dr.	NOBE, BOZO	Jugoslavia (Chief of Delegation).
Ing.	DULAR, LOJZE	Jugoslavia (Industry).

2. MINUTES OF PREVIOUS MEETING

The Yugoslav representatives stated that the quantity of crude oil which they hoped to have refined in AMG territory amounted to 3/4000 tons per month. HQ AMG, XIII Corps representative undertook to investigate the possibility of the refining being effected.

A request for clarification of Appendix I, para 1.c, of the Agreement reached between the Supreme Allied Commander, Mediterranean Theatre of Operations and the Supreme Commander of the Yugoslav Army was referred back for submission to the Committee.

No other matters arose for discussion from the minutes of the meeting held on 29th June 1945.

3. BONES

HQ AMG representative stated that the necessary instructions had been issued for the release of the 200 tons of bones required by the Yugoslav authorities. 3865

4. Survey of . . .

- 2 -

13

4. SURVEY OF EXISTING CONTRACTS

The following proposed transactions and contracts were reported to the Sub-Committee and the AMG XIII Corps representative undertook to examine the actual contracts ~~when~~ produced with a view to reporting to a subsequent meeting of the Sub-Committee whether or not they could be proceeded with:-

- (a) Società Anonima Acciaierie Moissenfels, Trieste, for the manufacture of chains from materials already supplied by the Yugoslavs.
- (b) Società Anonima Fonderie di Gorizia, Gorizia, for the return of materials loaned by Yugoslav concerns.
- (c) Fonderie Officine Filippi Bertolli fu Rodolfo - Udine, for the return of materials loaned by Yugoslav concerns.
- (d) Cantieri Riuniti Dell'Adriatico, Trieste, for the general manufacture of structural steelwork, ship-building, etc., including two bridges to be used in Jugoslavia, four bridges already built and originally intended for Sicily; (General specifications:-

Length:- 52.08 metres.

Total weight of four bridges:- 630 tons.

Price:- 20 lire per kilo ex works.)

and the construction of various types of ships. The Yugoslav representatives stated that the above list represents all contracts placed by them with the Cantieri Riuniti Dell'Adriatico.

- (e) D. Trpovich & Co, Trieste, for the salvaging of ships.
- (f) I.L.V.A. S.A., Trieste, for pig iron and materials for steel manufacture.

The Yugoslav representatives agreed to submit all

- (a) Società Anonima Acciaierie Weissensfels, Trieste, for the manufacture of chains from materials already supplied by the Yugoslavs.
- (b) Società Anonima Fonderie di Gorizia, Gorizia, for the return of materials loaned by Yugoslav concerns.
- (c) Fonderie Officine Millii Bertolli fu Rodolfo - Udine, for the return of materials loaned by Yugoslav concerns.
- (d) Cantieri Riuniti Dell'Adriatico, Trieste, for the general manufacture of structural steelwork, ship-building, etc., including two bridges to be used in Yugoslavia, four bridges already built and originally intended for Sicily; (General specifications:-
Length:- 52.03 metres.
Total weight of four bridges:- 630 tons.
Price:- 20 lire per kilo ex works.)
and the construction of various types of ships. The Yugoslav representatives stated that the above list represents all contracts placed by them with the Cantieri Riuniti Dell'Adriatico.
- (e) D. Th pcovich & Ci, Trieste, for the salvaging of ships.
- (f) I.L.V.A. S.A., Trieste, for pig iron and materials for steel manufacture.

The Yugoslav representatives agreed to submit all the above contracts within two weeks from the date of the meeting.

5. PACKAGES SEIZED IN YUGOSLAV-CONTROLLED TERRITORY

The H. and G. XIII Corps representative undertook to obtain from the Cantieri Riuniti Dell'Adriatico, Trieste, a list of those agreements for supplies from Yugoslav occupied territory, delivery of which had not yet been effected.

6. YUGOSLAV DEMANDS

No requests other than those contained in paragraph 4 above were submitted by the Yugoslav representatives for materials from Anglo-American occupied territory.

Anglo-American. . . .

12

- 3 -

7. ANGLO-AMERICAN DEMANDS.

The following urgent demands on resources lying in territory occupied by the Jugoslavs were submitted by AMG:-

Salt,
Firewood,
Timber.

The A.M.G. representative stated that details of the quantities required could be submitted forthwith to the Jugoslav representatives together with details of the AMG requirements of fish, vegetables and dairy products.

8. The meeting adjourned at 1700 hours.

S. J. B. Loudon
S. J. B. LOUDON
Major, R.A.M.G.
Secretary
Joint Economic Committee

DISTRIBUTION:-COPY NO.

1	Chairman, Joint Economic Committee.
2	D.D. (In), 8 Army.
3	AMG, XIII Corps (Lt. Col. Bickersteth).
4	Director, Public Works & Utilities Sub-Commission, HQ A.L.C.M.
5	Coal Division, Commerce Sub-Commission, HQ A.L.C.M.
6	Industry Sub-Commission, HQ A.L.C.M.
7	AMG (Mov), 8 Army.
8	File.
9/20	Spares.

The A.M.C. representative stated that details of the quantities required could be submitted forthwith to the Yugoslav representatives together with details of the A.M.C. requirements of fish, vegetables and dairy products.

8. The meeting adjourned at 1700 hours.

[Signature]
S. J. B. LOUDEN
Major, R.Q.M.G.
Secretary
Joint Economic Committee

DISTRIBUTION:-

COPY NO.

- | | |
|------|--|
| 1 | Chairman, Joint Economic Committee. |
| 2 | D.D.M., 3 Army. |
| 3 | A.M.C. (Lt. Col. Bickersteth). |
| 4 | Director, Public Works & Utilities Sub-Commission; HQ A.L.C.M. |
| 5 | Coal Division, Commerce Sub-Commission, HQ A.L.C.M. |
| 6 | Industry Sub-Commission, HQ A.L.C.M. |
| 7 | A.M.C. (Mov), 3 Army. |
| 8 | File. |
| 9/20 | Spares. |

3563

APPENDIX "C"

COPY NO. _____

HEADQUARTERS ALLIED MILITARY GOVERNMENT
XIII CORPS, TRIESTE, ITALY

10 JULY 1945

JOINT ECONOMIC COMMITTEE

Transportation Sub-Committee - Minutes

1. The second meeting of the Transportation Sub-Committee was held at 1700 hours on Monday, 9th July 1945, in the HQ AHC, XIII Corps, Economic Section Conference Room, Trieste.

PRESENT

Chairman - Colonel A. D. MARINE D.D. M. 8 Army.

Members - Major R. J. L. PHILLIPS Port Comdt., Trieste.
ZURINI, Jugoslavia (Transport
MAXIMILIAN Technical Services).
UTSCH, FRANK Jugoslavia (Commerce).

In Attendance - Major D. A. D. QUINCY D.A.D. M., Trieste
Dr. PAUL, ILONIC Jugoslavia
Dr. PERLENA LEON Jugoslavia
Ing. BLEBKO, MAKSO Jugoslavia
Ing. WOLF, BOGOMIR Jugoslavia

2. MINUTES OF JOINT ECONOMIC COMMITTEE.

The Minutes of the meeting of the Joint Economic Committee held on 29th June 1945 were considered.

3. OPERATION OF POLA OF TRIESTE AND POLA.

Transportation Sub-Committee agreed to hold a joint meeting at POLA as soon as the railway between TRIESTE - COSLIA and POLA was reopened, to decide arrangements for the use of the Port of POLA.

The Yugoslav representative reported that they were expecting the arrival in the Port of Trieste of about 7000 cases of goods in August 1945. It was agreed that

1. The second meeting of the Transportation Sub-Committee was held at 1700 hours on Monday, 27th July 1945, in the HQ AMB, XIII Corps, Economic Section Conference Room, Trieste.

PROCEEDINGS
Chairman - Colonel A. L. FARRER D.A. En. 8 Army.
Members - Major R.J.L. FERRIER Port Comdt., Trieste.
 ZURLEIGH, Jugoslavia (Transport
 Technical Services).
 MACDONALD, Jugoslavia (Commerce).
 URSIC, FRANC

In Attendance - Major D.A. D. QUINN D.A. D. En., Trieste
 Dr. PAUL, KLODIC Jugoslavia
 Dr. DWALIN/A LEON Jugoslavia
 Dr. BLANKO, MAKSO Jugoslavia
 Dr. WOLF, BOGOMIR Jugoslavia

2. MINUTES OF JOINT ECONOMIC COMMITTEE.

The Minutes of the meeting of the Joint Economic Committee held on 29th June 1945 were considered.

3. OPERATION OF PORT OF TRIESTE AND POLA.

Transportation Sub-Committee agreed to hold a joint meeting at POLA as soon as the railway between TRIESTE - COSINA and POLA was reopened, to decide arrangements for the use of the Port of POLA.

The Yugoslav representatives reported that they were expecting the arrival in the Port of Trieste of about 7000 cased vehicles from URBIA commencing August 1945. It was agreed that the assembly of these vehicles at Trieste would afford a considerable economy of transport and the Sub-Committee decided to refer this matter to the Joint Economic Committee for a policy ruling.

It was agreed that cargo emanating from Jugoslavia or the Yugoslav Zone of Venezia Giulia would be handled through the Ports of TRIESTE and POLA for transit to Jugoslavia on an equivalent basis with other Allied and Associated cargoes.

4. ADMINISTRATION OF PORTS IN VENEZIA GIULIA.

Subject to the approval of the Yugoslav and Allied Military Governments, the Transportation Sub-Committee recommends that:

a. the railways. . .

- 2 -

- a. the railways in Venezia Giulia be administered as one unit, using the existing railway organization, headquarters of which is situated at Trieste;
- b. this organization to work under a Joint Directorate consisting of three officials nominated by I.M.G. and three officials nominated by the Yugoslav Military Government, the Director on each side to be assisted by the necessary clerical staff;
- c. this administration to be confined to the railways in Venezia Giulia; Railways in the Provinces of Udine and Venice, at present administered from Trieste, to be transferred to Italian State Railway administration under the direction of the R.F. S.S. at Rome.
- d. the new administrative body to be formed for Venezia Giulia to be known as "Venezia Giulia Railways;"
- e. the Joint Directorate of the Venezia Giulia Railways to be responsible for direction and administration in such a way that all questions affecting one zone would be settled by the Directors nominated by the Military Government of that zone, and questions common to both zones or relating to Venezia Giulia as a whole, by the Joint Directorate;
- f. The Joint Directorate of the Venezia Giulia Railways to submit to the Transportation Sub-Committee any serious disagreement or any questions of major policy.

5. JOINT OPERATING COMMITTEE.

The Sub-Committee noted that Lt. Col. A. E. FAIRHEAD and Ing. SLEIKO MALISO were nominated as additional members of the Joint Operating Committee.

6. LOCOMOTIVE AND ROLLING STOCK.

- a. Locomotive.

The Chairman announced that arrangements were already in hand to

- c. this administration to the provinces of in Venezia Giulia; Railways in the provinces of Trieste, Udine and Venice, at present administered from Trieste, to be transferred to Italian State Railway administration under the direction of the P.F. S.S. at Rome.
- d. the new administrative body to be formed for Venezia Giulia to be known as "Venezia Giulia Railways;"
- e. the Joint Directorate of the Venezia Giulia Railways to be responsible for direction and administration in such a way that all questions affecting one zone would be settled by the Directors nominated by the Military Government of that zone, and questions common to both zones or relating to Venezia Giulia as a whole, by the Joint Directorate;
- f. The Joint Directorate of the Venezia Giulia Railways to submit to the Transportation Sub-Committee any serious disagreement or any questions of major policy.

5. JOINT OPERATING COMMITTEE

The Sub-Committee noted that Lt. Col. A. T. FAIRHEAD and Ing. SILVIO MANDI were nominated as additional members of the Joint Operating Committee.

6. LOCOMOTIVE AND ROLLING STOCK

a. Locomotive.

The Chairman announced that arrangements were already in hand to base on Trieste sufficient electric locomotives for all demands at present foreseen on the routes:

3861

Trieste - Trieste
Trieste - Trieste
Trieste - Trieste
Trieste - Trieste

A satisfactory arrangement was agreed for the provision of steam power on the remaining lines in Venezia Giulia.

b. Rolling Stock.

It was agreed that the best possible temporary

Arrangements should. . .

- 3 -

arrangements should be made for allocation and distribution of rolling stock. Any such arrangements to be without prejudice to a final European settlement. Records of rolling stock exchanges at the frontiers of Venezia Giulia will be maintained.

7. REOPENING OF LINE.

The Yugoslav delegates stressed the importance of accelerating the work of reconstruction of all lines in Venezia Giulia, with priority to the following:

Gorizia - Aidussina
 Medicolle - Canale Bridge
 Trieste (Campo Marzio) - Villa Opicina (estimated complete 15 July).

The AMG delegates agreed to commence a regular service from Trieste (Campo Marzio) - Expelle when the Pola line was reopened (estimated 20 July).

Upon completion of the Aidussina branch, arrangements will be made to work to the Jugoslav Zone rolling stock now isolated on the Jugoslav Section of that branch.

8. PAYMENT TO I.S.R. EMPLOYEES.

The Sub-Committee noted that no arrangements had yet been made for the payment of I.S.R. employees in the Jugoslav Zone, and decided to recommend that immediate authority be given, by AMG, for the transfer of currency for the purpose from the funds at the disposal of the former Italian Administration in Trieste, since traffic receipts in currency from the Jugoslav zone were still being received in Trieste.

9. WAGES AND TARIFFS.

The Sub-Committee agreed to defer discussion on wage and tariff increases which appear to be necessary to conform with the economic situation, until formation of the proposed Joint Directorate (para 4).

The Yugoslav delegates stressed the importance of accelerating the work of reconstruction of all lines in Venezia Giulia, with priority to the following:

Gorizia - Aidussina
Piedicolle - Canale Bridge
Trieste (Campo Marzio) - Villa Opicina (estimated complete 15 July).

The AMG delegates agreed to commence a regular service from Trieste (Campo Marzio) - Expelle when the Pola line was reopened (estimated 20 July).

Upon completion of the Aidussina branch, arrangements will be made to work to the Yugoslav Zone rolling stock now isolated on the Yugoslav Section of that branch.

8. PAYMENT TO I.S.R. EMPLOYEES.

The Sub-Committee noted that no arrangements had yet been made for the payment of I.S.R. employees in the Yugoslav Zone, and decided to recommend that immediate authority be given, by AMG, for the transfer of currency for the purpose from the funds at the disposal of the former Italian Administration in Trieste, since traffic receipts in currency from the Yugoslav zone were still being received in Trieste.

9. WAGES AND TARIFFS.

The Sub-Committee agreed to defer discussion on wage and tariff increases which appear to be necessary to conform with the economic situation, until formation of the proposed Joint Directorate (para 4).

10. The meeting adjourned at 1700 hours, having adjourned at 1900 hours on 9 July and having resumed at 0800 hours on 10 July.

J.B. Louden
S. J. B. LOUDEN
Major, D.M.C.
Secretary
Joint Economic Committee

- 4 -

DESCRIPTION

COPY NO.

- 1 Chairman, Joint Economic Committee
- 2 D.D. Th. 8 Army.
- 3 A.C. III Corps (Lt. Col. Bickersteth).
- 4 Director, Public Works & Utilities Sub-Commission; HQ ALCON.
- 5 Coal Division, Commerce Sub-Commission, HQ ALCON.
- 6 Industry Sub-Commission, HQ ALCON.
- 7 AGM (Nov); 8 May.
- 8 Port Cmdt.; Trieste.
- 9 D.A.D. Th.; Trieste.
- 10 File.
- 11/20 Spares.

3859

4045.0
 AGREEMENT OF 20TH JUNE 1945, BETWEEN THE SUPREME ALLIED COMMANDER
 MEDITERRANEAN THEATRE OF OPERATIONS AND THE SUPREME COMMANDER OF
 THE YUGOSLAV ARMY.

Minutes of the second meeting of the Joint Economic Committee held
 at Headquarters, Allied Military Government, XIII Corps, Trieste, JUL 4 1945
 at 1430 hours on 29th June 1945.

PRESENT:

Chairman
 Brigadier D. L. ANDERSON, C.B.E.
 (Deputy Vice-President Economic Section, ALCEM)

Members of the Committee:

Colonel A.H. EAHLEY	D.D. Th. 8 Army	)
Lt. Col. D.S. HICKERSTETH	D/Peg Commerce Officer	)
Lt. Col. J.M. LAPPER	Lombardia Region	)
	Chief, Electrical Divn.	)
	Pub Wks & Utilities	)
	Sub-Commission, ALCEM	)
	Coal Divn., Commerce	)
Lt. Col. C.J. OXLEY	Sub-Commission, ALCEM	)
Major R.C.D. BOYER	A.F.M.C., Att'd Industry	)
Major R.J.L. PERRETT	Sub-Commission, ALCEM	)
	Port Comdt., Trieste	)
Dr. ROSE ROZO	Leader	)
URSIC FRANK	Commerce	)
ZUBILINI MASSIMILIJAN	Transport Technical	)
	Services	)
Ing. DOLGAN MARJAN	Industry	)
SEK MARJAN	Finance	)
PEROVIC JOCE	Trade and Supply	)
Ing. KOTNIK VIKTOR	Industry	)

Jugoslav
 Delegation

In attendance:

Colonel NELSON J. MONROE	S.C.A.O.
A.U.S.	
Lt. Col. W.B. ROGERS	A.Q.M.G. (Mov) 8 Army
Major D.A.F. QUERETT	D.A.D. Th. Trieste
Colonel GEORGE A. GREEN, USA	American Embassy,
	Rome - as observer.

1. The Committee accepted the Minutes of the meeting held
 on the 28th June after some alterations had been made to the text.
 A copy of the Minutes as approved is attached.

Colonel A.H. EARLEY	D.D. Th. 8 Army	Representatives, Allied Armies in Italy
Lt. Col. D.S. BICKERSTERN	D/Reg Commerce Officer	
Lt. Col. J.M. LAPPER	Lombardia Region	
Lt. Col. C.J. OULEY	Chief, Electrical Divn.	
Major R.C.D. BOGER	Pub Wks & Utilities	
Major R.J.L. PERRETT	Sub-Commission, ALCOM	
Dr. KOBE BOZO	Coal Divn., Commerce	
UPSIC FRANK	Sub-Commission, ALCOM	
ZUPLINI MARSHALLIAN	A.F.H.A., Att'd Industry	
Ing. DOLGAN MARIJAN	Sub-Commission, ALCOM	
Ing. SZEM MAHIJAN	Port Comdt., Trieste	Jugoslav Delegation
Ing. FEROVIC JOZE	Leader	
Ing. KOTNIK VIKTOR	Commerce	
	Transport Technical	
	Services	
	Industry	
	Finance	
	Trade and Supply	
	Industry	

In attendance:

Colonel NELSON J. MONFORT	S.C.A.O.
Lt. Col. W.B. ROGERS	A.Q.M.G. (Mov) 8 Army
Major D.A.P. QUEKETT	D.S.D. Th. Trieste
Colonel GEORGE A. GREEN, USA	American Embassy, Rome - as observer.

1. The Committee accepted the Minutes of the meeting held on the 28th June after some alterations had been made to the text. 3858
A copy of the Minutes as approved is attached.

2. Fuel and Power Sub-Committee.

The Committee considered a report received from the Fuel and Power Sub-Committee of a meeting they had held on the 28th June. The following recommendations were agreed:

a. Power.

1. That the Soc. Elettrica della Venezia Giulia shall continue to be responsible for the technical and financial operation of the electrical system in the whole of its area; and

(That any matters.

(Copy passed for file)

ii. That any matters which may arise affecting the supply of electricity within the area of the Soc. Elettrica della Venezia Giulia shall be referred for settlement to the Sub-Committee. (This would include, for example, matters of price and quantity of power.)

The Yugoslav Delegation stated that they required a further week to consider whether the administrative personnel of Soc. Elettrica della Venezia Giulia should continue to operate in that part of Venezia Giulia controlled by the Yugoslav Government.

b. Fuel. The following recommendations of the Sub-Committee were also agreed:

i. That a group of mines in the Istrian Peninsula known as the Area Mines would be immediately reactivated and developed;

ii. That a joint committee of Yugoslav and A.M.G. experts visit the area to inspect and report on the mines, the machinery and the shipping facilities; (The Yugoslav Delegation undertook to endeavor to make the arrangements.)

iii. That the highest priority be given to all work in connection with the restoration of the mines and that it be undertaken jointly through the Yugoslav and A.M.G. resources; and

iv. That the existing stocks at the mines and the output of the mines be allocated to consumers by the joint Yugoslav-A.M.G. Industry and Commerce Sub-Committee and that A.M.G. be asked to assist with the transportation required to move the coal.

3. Industry and Commerce Sub-Committee.

The Committee received the report of the Industry and Commerce Sub-Committee and approved the following recommendations:

a. That any orders on industries in Venezia Giulia be made only after approval by the Sub-Committee;

b. That the Sub-Committee approve all proposed contracts as to terms, prices, etc.; (This will cover contracts placed by Yugoslav authorities in the part of Venezia Giulia controlled by A.M.G. and by A.M.G. in the part of Venezia Giulia controlled by the Yugoslav Government and in Yugoslavia proper.)

c. That contracts can only be cancelled by consent of the Sub-Committee;

d. That any material, finance and exchange questions

known as the Arsa Mines would be immediately reactivated and developed;

ii. That a joint committee of Yugoslav and A.M.G. experts visit the area to inspect and report on the mines, the machinery and the shipping facilities; (The Yugoslav Delegation undertook to endeavor to make the arrangements.)

iii. That the highest priority be given to all work in connection with the restoration of the mines and that it be undertaken jointly through the Yugoslav and A.M.G. resources; and

iv. That the existing stocks at the mines and the output of the mines be allocated to consumers by the joint Yugoslav-A.M.G. Industry and Commerce Sub-Committee and that A.M.G. be asked to assist with the transportation required to move the coal.

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c. That contracts can only be cancelled by consent of the Sub-Committee;

d. That raw material, finance and exchange questions arising from local exchange and trade be handled by the Sub-Committee; and

e. That one expert may be co-opted by each side of the Sub-Committee when necessary.

4. Transportation Sub-Committee.

As the report of the Transportation Sub-Committee had not been translated, the Committee adjourned at 1700 hours until 2100 hours.

/The Committee

The Committee then received the report of the Transportation Sub-Committee on their meeting held on the 29th June and agreed to the following recommendations:

a. That the Anglo-American Military Port Commandant of Trieste will arrange the berthing and working of ships carrying cargo for Yugoslavia on equal terms with other Allied ships using the port without delay or hindrance subject only to any priority required for Allied Military traffic;

b. That in the first instance, the Yugoslav Government will employ G. J. Marovic, Steamship owner and broker of Trieste, as their agent for receiving and forwarding their cargoes arriving in the port of Trieste;

c. That the Anglo-American Port Commandant of Trieste will give the maximum possible notice (with a minimum of 24 hours) to the Yugoslav railway delegate, of railway traffic for Yugoslavia, ex-ship or warehouse at Trieste, in order that wagon supply may be facilitated; (Traffic from Trieste to Yugoslavia will normally be moved by rail; road transport will only be employed if railway capacity is saturated.)

d. That the Yugoslav traffic from Trieste will be forwarded in sealed wagons to a transit station, to be agreed, free from customs examination;

e. That Yugoslav traffic from Trieste will be forwarded by electric railway as far as possible (Trieste - Postumia, St. Pietro Carno - Fiume) to economise on coal; and

f. That estimates of locomotive and rolling stock requirements for the Trieste-Yugoslav traffic will be made jointly by the A.M.C. and Yugoslav Delegates of the Transportation Joint Operating Committee; exchange of rolling stock at the zone boundary station will be on the basis that as many wagons will come out of the Yugoslav controlled Zone of Venezia Giulia as enter it from the A.M.C. controlled Zone of Venezia Giulia; that the difference in numbers of wagons will not be allowed to exceed 50 wagons either way, and that this agreement will hold until such time as a general European International rolling stock and traffic agreement is completed.

5. The following proposal was put forward by the Committee but the Yugoslav Delegation requested that it be deferred until the next meeting of the Committee:

"The railways in Venezia Giulia, both in the Anglo-American and Yugoslav Zones, will continue to be administered from 3857

c. That the Anglo-American Port Commandant of Trieste will give the maximum possible notice (with a minimum of 24 hours) to the Yugoslav railway delegate, of railway traffic for Yugoslavia, ex-ship or warehouse at Trieste, in order that wagon supply may be facilitated; (Traffic from Trieste to Yugoslavia will normally be moved by rail; road transport will only be employed if railway capacity is saturated.)

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5. The following proposal was put forward by the Committee but the Yugoslav Delegation requested that it be deferred until the next meeting of the Committee:

"The railways in Venezia Giulia, both in the Anglo-American and Yugoslav Zones, will continue to be administered from Trieste as one entity. In particular, through running of locomotives will continue within the limits of the electrical zone and the repair and maintenance of electric locomotives employed in the Yugoslav zone, formerly done in Trieste, will continue to be done in Trieste."

6. The Transportation Sub-Committee nominated the following officials to form the Joint Transportation Operation Committee

/(vide Appendix. . .

- 4 -

(vide Appendix 'I' para 1(b) of the Agreement of the 20th June):

4.4.2.

YUGOSLAV GOVERNMENT

Major QUINCY

Dr. DEMLAVA

7. The Committee decided that the Sub-Committees should meet again on Monday and Tuesday, the 9th and 10th July, and that the Main Committee should meet at 0900 hours on Wednesday, the 11th July.

M. DRUMMOND YOUNG
Capt. R.A.
Secretary

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in Italy

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in Italy

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Armies
in Italy

Jugoslav
Delegation

Jugoslav
Delegation

Delegation

Delegation

Trade and Supply
Industry

A. Q. N. G. (Nov)

D.A.D. Tr. Trieste

American Embassy,

Phone - an observer.

- 3855

Lt. Col. W.M. LAFER

Lt. Col. C.J. OXLEY

Major R.C.D. BOGER

Major R.J.L. FENWICK

Dr.

KOBÉ BOZO
URSIC FRANK
ZUPCINI MARSHALLIAN

Ing.

DOLJAN MARJAN
SEK MARJAN
FEROVIC JOSE
KORNIK VIKTOR

Ing.

In attendance:Colonel NZISCH W. MONFORT
A.U.S.

S.C.A.O.

Lt. Col. W.B. ROGERS

A.Q.M.G. (Mov)

Major D.A.F. QUEKETT

D.A.D. Tn. Trieste

Colonel GEORGE A. GREEN, USA

American Embassy,
Rome - as observer.

3855

1. Brigadier D. L. Anderson opened the conference with a welcome to the Yugoslav Delegation. He then proposed that the conference should limit its discussions to matters of general policy, that sub-committees be formed, and that all questions of detail be left to them for arrangement.

Dr. Kobe replied on behalf of the Yugoslav Delegation, and expressed the hope that the Committee would help to maintain and further the united front that all the countries had formed against fascism.

2. Various subjects were raised by the Yugoslav Delegation and the following decisions were reached:

A. Ships laden with U.N.R.R.A. supplies for Yugoslavia would use the port.

B. The Allies

(Copy Forward for c.c. file)

Lombardia Region
Chief, Electrical Divn.
Pub. Wks & Utilities
Sub-Commission, ALCOM
Coal Divn., Commerce
Sub-Commission, ALCOM
A.F.H.Q., Att'd Industry
Sub-Commission, ALCOM
Port Comdt., Trieste

Leader
Commerce
Transport Technical
Services
Industry
Finance
Trade and Supply
Industry

Jugoslav
Delegation

Representatives,
Allied
Armies
in Italy

- 2 -

- B. The Allies would have complete control of the port, would safeguard such supplies, and would guarantee delivery over the Morgan line by rail or road.
- C. The Yugoslav Government would nominate one or two of the normal agents in the port who would represent them in the usual commercial way, in accordance with Appendix "J" of the agreement.
- D. The Yugoslav authorities would arrange a proper balance of rolling stock so that supplies could be railed anywhere in Yugoslavia as required.
- E. That subject to the priority required for Allied Military traffic, Allied and Yugoslav traffic in the port of Trieste would receive equal treatment.
- F. The normal organization of Trieste port as it functioned in the past, would be employed.
- G. Yugoslav contracts entered into with firms in Allied territory would be individually examined.
- H. No permanent organization or establishment should be set up, but the committee should meet weekly to begin with, and sub-committees should meet when sufficient work accumulated.
- I. The question of booty should be left to the military committee about to be set up.

3. Sub-Committees were set up as follows:

<u>Transportation Sub-Committee</u>	
Colonel ZARLEY	URSIC FRANK
Major PERATTI	ZUMINT MARSHALLIAN
<u>Industry and Commerce Sub-Committee</u>	
Lt. Col. BICKENSTEN	Ing. DOLGAN MARJAN
W. Mdr. LEE-JONES	Ing. KOTNIK VIKTOR
Major BOER	PEROVIC JOZE
<u>Fuel and Power Sub-Committee</u>	
Lt. Col. LAPPER	Ing. DOLGAN MARJAN
Lt. Col. OXLEY	Ing. KOTNIK VIKTOR

It was arranged that the Fuel and Power Sub-Committee would meet at 1430 hours on the same day, and the Transportation Sub-Committee and Industry and Commerce Sub-Committee at 0900 hours on the following day.

E. That subject to the priority required for Allied Military traffic, Allied and Yugoslav traffic in the port of Trieste would receive equal treatment.

F. The normal organization of Trieste port as it functioned in the past, would be employed.

G. Yugoslav contracts entered into with firms in Allied territory would be individually examined.

H. No permanent organization or establishment should be set up, but the committee should meet weekly to begin with, and sub-committees should meet when sufficient work accumulated.

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Transportation Sub-Committee

Colonel ZARLEY	URSIC FRANK
Major PERFITT	ZUHLINI MASSIMILIAN

Industry and Commerce Sub-Committee

Lt. Col. BICKERSTEN	Ing. DOLGAN KARLJAN
W. Mdr. LEE-JONES	Ing. KOTNIK VIKTOR
Major BOER	PEROVIC JOZE

Fuel and Power Sub-Committee

Lt. Col. LAPPER	Ing. DOLGAN KARLJAN
Lt. Col. OXLEY	Ing. KOTNIK VIKTOR

It was arranged that the Fuel and Power Sub-Committee would meet at 1430 hours on the same day, and the Transportation Sub-Committee and Industry and Commerce Sub-Committee at 0900 hours on the following day.

4. It was agreed that the main committee would meet at 1430 hours the following day.

The committee adjourned at 1130 hours.

E. DRIBBLED YOUNG
Capt. R.A.
Secretary

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