

Declassified E.O. 12356 Section 3.3/NND

No. 785015

ACC

10000/110/95

ADMIN
JUNE

Declassified E.O. 12356 Section 3.3/NND No. 785015

10000 / 110 / 95 ADMINISTRATION - NORTH ITALY
JUNE 45 - NOV. 45

77.1/EST

EX 52013
NOV 6/1320A

0 2938
NOV 6/1730A
DISPATCH

A BRANCH GEN. CMF

ACTI H: SEA DLEWO DESTIERE ALCHM

Col 41814

File 2 17

TOP SECRET.

Reference this GEN 035188 dated 06. strong complaints received about anti-WARSAW Government propaganda by officers of 2 POLONISH situated in AUSTRIA and some parts ITALY. First step appears to be to recall all officers to 2 POLONISH at present acting as liaison officers or interpreters etc in areas of all types camps. Request your concurrence that such step would not seriously affect running of camps etc

DIST

Copy No 1 ACTI H: G-1 (H)

2	INFO : CHIEF COMMISSIONER
3	EX COMMISSIONER
4	STY SEC
5	DEPT.
6	LAND FORCES
7	FILE

TOP SECRET

5135

RESTRICTED

Est. Sec.
Jm

3940
AUGUST 311342B

1/6165
SEP 011800B
ROUTINE

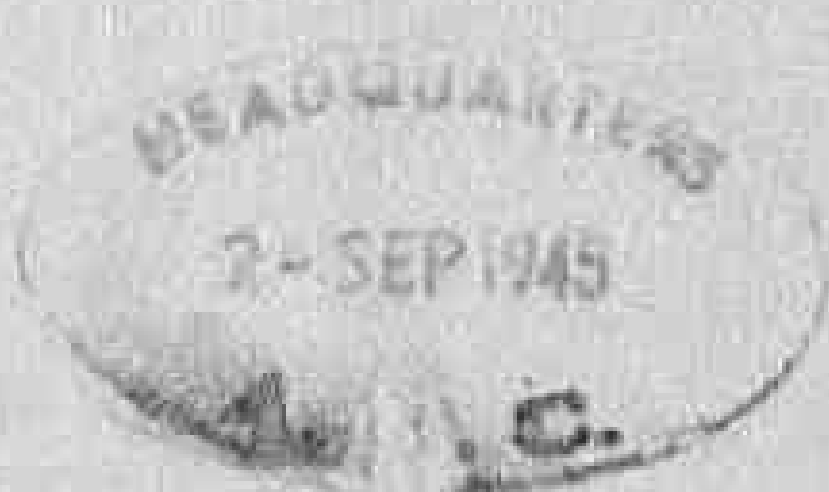
5 ARMY

ACTION DISTRO INFO MTOUSA, PBS, POF COMD, ALCOM, AND MRS

16

RESTRICTED

1. Released to DISTRO effective 312400B August is 5 ARMY training enclave on southeast side of Lake GARDA.
2. Reservation of billets and real estate physically occupied by US troops continues until relinquished by movement of units now occupying from area.
3. PBS and POF command do not desire to retain enclave.



Dist

Info-Action - CA Sect
Info - Chief Commissioner
Exec Commr 2
Est Sec
File 2
Float

RESTRICTED

785015

CONFIDENTIAL

ES-SEC

[Signature]

GO/3583

7/4/37

AUG 18/1715B

AUG 19/0930B

ROUTINE

DISTWO

ALCON

15

CONFIDENTIAL.

Reference this HQ GO/3568 of 14 para 3. That part of the province of
TREVISO now in 5th ARMY AREA is to pass to 13 CORPS and not DISTWO wef same
time. All informed

DIST

ACTION : EX COMMISSIONER (3)

INFO : CHIEF COMMISSIONER
CA SEC
ECON SEC
PRB
FILE (2)
FLOAT
EST SEC
LAND FORCES

CONFIDENTIAL

513

GOA3568
AUG 171040

CONFIDENTIAL

F/4233
AUG 171040
ROUTINE

DISTWO

ACTION: 217 AREA, 214 SUB AREA, 66 AA HDE INFO: AFHQ, 5 ARMY, BTA, 13 CORPS,
6 SA ARMD DIV, DISTONE, DISTHREE, PES, 7 AGRA, 59 AREA, 60 SUB AREA, FLORENCE
CITY COMD, ROME AREA, ALCOM, MMIA, AMG EMILIA REGION, AMG VENEZIA REGION,
AMG LIGURIA REGION

CONFIDENTIAL.

1. Responsibility for Brit matters in PES territory North of ROME will pass from DISTWO to DISTHREE wef 200001B at which time 66 AA Hde passes to Comd DISTHREE.
 2. DISTWO will assume from DISTONE COMD of 217 Area wef 200001B. Responsibilities of 217 Area remain unchanged.
 3. DISTWO will assume comd of present 5 ARMY area wef 31001B. This area will pass to the op comd of 217 Area wef the same time.
 4. DISTWO will assume from DISTONE comd of 218 (special) Area (at present 214 Sub-Area) wef 310001B. Responsibilities of 218 (special) Area will remain unchanged.
- All informed.

DISTRIBUTION:

Info-Action, Exec Commr 2
Info, Chief Commissioner
CA Section
Land Forces
Info Div
File
Est Sec

CONFIDENTIAL

513

HEADQUARTERS
12 AUG 1945
4. 7. 5.

SECRET

5026
AUGUST 11/1720H

Col. Fiske
17/5423
AUGUST 12/1100H
BETHLEHEM

FIFTH ARMY

AMST. INFO : DURING 13 CORPS HAS BEEN ALLOC FOR COVERED 34 INF DIV

13

SECRET.

1. reference your radio 5795 August 8 no agreed time for transfer as fifth army does not concur in position of DUEVO as explained in DUEVO radio 581/1609 August 10 (not to all) turnover on 20 August will insure freeing FIFTH ARMY of commitments in corridor by 1 September at same time being available to DUEVO to adjust and assist in any unforeseen matters that may arise.
2. require to relieve US troops in area are 3 officers 13 enlisted men for liaison detachments at SCHIAGO and BRESEN passes; 2 officers and 93 enlisted men to guard CUS which fifth army recommends DUEVO request for continued operation of gas dumps. gas dumps to be transferred to DUEVO. total required for all reliefs are 5 officers 111 enlisted men.
3. agreed diplomatic hotel at SALZBURGER will be taken over by DUEVO on 20 August.
4. reference para 2 cited 5795 desire turnover of remainder of TRAYDO province to 13 CORPS at same time as turnover to DUEVO.
5. only US troops to be withdrawn about 20 August are 985 field artillery battalion 84 (as. mortar battalion 77 field artillery group to CHIA both category 2 reserve in October. 536 field artillery battalion under 173 field artillery group

5131

SECRET

SECRET

CONTINUATION PAGE 2

P/3/65

my remain until 15 September to guard US dams and dams working in VERMONT area which are to be transferred to PDS. This must be done regardless of whether FIFTH ARMY or DISTRICT responsible for PDS corridor.

6. Bulk of US troops in BELMONT are 349 Infantry of 20th Corps which will not be moved except under terms of para 5 cited.

7. Combat troops available for quelling civilian disturbances are 34 division under 13 Corps and 349 Inf plus 15 field artillery units installation under operational control. MOUNTAIN troops are equally available to DISTRICT as FIFTH ARMY

SECRET

INFO-ACTION : IN COMMISSION (2)

INFO : CHIEF COMMISSIONER
CA DIST
MOUNTAIN
DIST DIST
FILE

SECRET

5130

SECRET

5795

ASG 082000B

5TH ARMY

AFHQ INFO DISTWO 13 CORPS PBS MRS ALCON POW COMMAND 34 INF DIV

SECRET.

Ref AFHQ PX 30956 cite PHGCT 1st August and PX 33059 cite PHGCT 7th August and aural 5795 dated 5th August.

1. Tentatively agreed 5TH ARMY - DISTWO turn-over PBS corridor less remainder TRUVISO Province effective 202359B August. Final agreement will be reached by 5TH ARMY on 10th August.
2. Mutually agreed 5TH ARMY - 13 CORPS to turn over remainder TRUVISO Province effective 202359B August.
3. Letter listing Enclaves to be retained, distribution of CSB dumps, and local resources required is being forwarded separately. Minutes of meeting will be forwarded as soon as available.
4. DISTWO will request AFHQ for GSUS now working in area which they wish to retain upon release by 5TH ARMY. Numbers approximately 1700 POWS are being recommended by 5TH ARMY.
5. DISTWO will accept responsibility for guarding and administering GSUS with MRS when equivalent 2 Battalions (approx 1000 troops) are made available to DISTWO. Until then essential POW Comd retain responsibility but must be released or closed out between 15 September and 1st October. DISTWO will also accept responsibility for Diplomatic Hotel SALOMAGIONE effective 202359B. August.
6. 16 Evac Hospital will remain present location until relieved by 15 Field estimated 1st October.

SECRET

INFO ACTION
INFO

DIST
HX COMMISSIONER 2
CHIEF COMMISSIONER
CA SEC 5125
ROOM SEC
ESTAB SEC
FILE

1200

Declassified E.O. 12356 Section 3.3/NND No. 785015

SECRET

July 20/17

PX 33059
AUG 071728B

P/3017
AUG 080830
IMMEDIATE

AFHQ SIGNED SACRED CITY PWGCT
5TH ARMY INFO POW COMMAND D PBS DISTWO 34 INF DIV ALCON 13 CORPS
WESTMOVES.

SECRET.

Reference your 5759.

1. Not prepared to give final approval requested by you without hearing DISTWOS views. However consider plan sound in principle for discussion at meeting at Headquarters 5TH ARMY on 8th August. Final plan when agreed will be submitted to this Headquarters for approval.

2. Our comment on your paras are as follows.

A. Your paras 2 and 3. No exceptions or reservations required by this Hq but approval is subject to DISTWO being able to meet new commitments from present resources or from GUS to be transferred from 5TH ARMY.

B. Your para 4.

1. Understand 16th Evacuation Hospital should remain present location until transferred to 13 CORPS and not moved south of APFONINES.

2. Consider Diplomatic Hotel at SALSO MAGGIORE is an Allied commitment and should therefore be transferred to DISTWO and not POW Command.

3. Necessary enclosures including hospitals at MERANO and staging area around VERONA railroad station should be retained for POW Command until movement of US POW completed. Also any additional enclosures considered necessary.

SECRET

5428722
8 AUG 1945
10

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No.

785015

SECRETCONTINUATION PAGE 2

4. Presume that transportation 5TH ARMY will continue to operate POW shuttle service over BRENNER until taken over by DISTWO. Representative movements northwest ITALY will attend meeting to discuss this.

C. Your para 4. No comment.

D. Your para 6. Unable to comment as insufficient details of commitments available here. Steps must be taken however to ensure MRS commitment is completed according to present schedule.

E. Your paras 7 and 8. No comments.

F. Your para 9. Suggest PBS requirements be considered in these mutual arrangements which should provide that all existing contracts agreements and reservations for procurement and control of local resources or facilities by US ARMY remain in force; all existing US Rest and Recreation Centers to continue to operate under US ARMY control until no longer required.

3. It is assumed that signals and engineer needs will be considered at this meeting. Also considered highly desirable that representatives from PBS MRS and POW Command be invited to attend meeting together with Lieutenant Colonel SHALFOOD A/Q CEM at present at DISTWO. Propose sending representatives from G-3 AMO and G-4 American from this Hq arriving by air today.

DIST

INFO-ACTION RE COMMISSIONER 2
 INFO CHIEF COMMISSIONER
 CA SEC
 ECON SEC
 ESTAB SEC
 FILE

512

SECRET

785015

SECRET5759
AUG 052040B2/2806
AUG 06:015B
PRIORITY

5 ARMY

ARMY FOR ACTION, POW COMMAND PER, DISTRO 34 INF DIV, 1300H, 13
CORPS FOR INFO**SECRET**

1. The following plan will be discussed 8 August in conference with DISTRO and other interested commands per DTGUSA radio PX 10956 cite NAOST 1 August. Request necessary instructions and approval of plan prior to time for conference.

2. GEM (GEM) materials now required by UNITED STATES troops in ITALY will be evacuated by 15 August. Will turn over GEM dumps to DISTRO along with corridor. If you desire exception or reservation, request this HQ be advised.

3. DISTRO may desire GEM's with GEM dumps when transferred. Request authority for POW command to release GEM's where practical to British commitments and without replacement either by unit or equivalent number POWs.

4. 5 ARMY to move all combat troops (including ARMY HQ) except 88 Div (POW command) 752 Tank Battalion and 34 Div, south of Appennines on or about 1 September. Transfer to POW command, 5 days before turn over of the area, the control, administration, and supply of the Friendly National Camp at MODENA and the Diplomatic Hotel at SALCOMASSIONE.

- 1 -

SECRET

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Declassified E.O. 12356 Section 3.3/NND No. 785015

SECRET

- 2 -

5. DISTWO will supply POL after 8 August. Last Army dumps via VERONA to be closed out within 15 days after turnover of area. Daily trains will be sent from LEGHORN to 2633 Service Company for Rest Centres, 88 Div for POW Comd and 34 Div for UNITED STATES TROOPS under 13 CORPS. As ARMY Hq will be able to forward only requisitions and daily telegrams plan will be to transfer responsibility to PBS for supply and administration of all UNITED STATES troops north of the Appennines 12 days after turnover of area.

6. DISTWO will relieve all 5 ARMY UNITED STATES troops of operational missions in the area and in addition will relieve POW Comd of MRS commitment. Time of relief and assumption of control of area will be as mutually agreed at conference.

7. 13 CORPS will assume responsibility for that part of TREVISO province now within 5 ARMY area and boundary changes effected accordingly. Time for transfer will be as mutually agreed and recommendation submitted your Hq.

8. Following troops will be turned over to DISTWO. Two Italian Gruppes.

9. Local requirements, until all UNITED STATES troops can be withdrawn, for real estate, roads, etc will be arranged mutually between 5 ARMY and DISTWO.

Dist

Info-Action - CA Sect
Info - Chief Commissioner
Exec Commr 2
Exec Sec
Ext Sec
File

SECRET

1204

Declassified E.O. 12356 Section 3.3/NND No. 785015

SECRET

GO 818
AUG 031218B

F. L. Pa.
Ju
P/2576
AUG 040930
IMPORTANT

DISTHREE

52 AREA, 54 AREA, 56 AREA, HOME AREA, (BRIT), 91 GRN, BRNOY, 22AA
BDE, 11 L OF C SIGS, 15 L OF C SIGNS, 227 ITALIAN ADM DIV, AFHQ (G3 OPS)
AFHQ G3 GNS BRIT, AFHQ G3 GNS GND (ANOT), 61 AREA, 211 SUB AREA, 66 AA
BDE, DISTONE, DISTWO, EMILIA, ALCOE, MOV NALES, MOV BARI, MOV TARANTO,
PENRAHE, PENRAHE SOUTH.

SECRET.

Under authy AFHQ PX 30663 of 31 July not to all 3 DIST will take
over W.E.F. 0001 hrs 20 August responsibilities in north ITALY as follows.

1. From 1 DIST. Present responsibilities of 61 AREA and 211 SUB
AREA incl cooperating Allied agency in FLORENCE COMD. Days as in 1
DIST Op Instr number 32 of 23 July not to all.

2. From 2 DIST. Responsibilities of cooperating Allied agency
in PBS territory between southern bdy of compartimento of EMILIA and
northern bdy of VITERBO Province excl FLORENCE COMD. Following Hq's will
come under Comd this Hq W.E.F. above time. For responsibilities in para
first above. 61 AREA 211 SUB AREA. Para second Hq 66 AA BDE. Further
instrs and orbat of units passing tounder Comd follow.

HEADQUARTERS
AUG 1945

M/C NOTE:

No trace of AFHQ reference.

DIST
ACTION BY COMMISSIONER 2
INFO CHIEF COMMISSIONER
CA SEC
ROOM SEC
EXT SEC
LAND FORCES
INFO DIV
FILE

5122

SECRET

120

Declassified E.O. 12356 Section 3.3/NND No. 785015

SECRET

Int. Sec.
Ja

SBI/1616
AUG 011705B

HEADQUARTERS

AUG 315

F/2612
AUG 041245B
ROUTINE

DISTWO

5 ARMY, DISTONE, DISTTHREE, 66 AA BRIGADE, 60 SUB AREA INFO; 6 2A ARMD DIV, 59 ARMA, 7 AGRA, 151 SUB AREA, 215 SUB AREA, ATHO, ALCON, ANG PIEDMONTE, ANG LOMBARDIA, WESTMOVES, EASTMOVES, SOUTHMOVES, HQ STA, ANG LIGURIA

SECRET

Further to BY SBI/1616 of 30 July not to all. Following adjustment of Admin responsibilities in North ITALY ordered by AFHQ as follows.

1. DISTWO to take over present responsibilities of DISTONE north of southern boundary of compartimento of EMILIA via 217 area on 20 August 214 SUB AREA (converted to 215 SPECIAL AREA) on 31 August. Necessary instructions by DISTONE and DISTWO are being issued shortly.
2. DISTONE and DISTWO to hand over present responsibilities south of southern boundary of compartimento of EMILIA to DISTTHREE on 20 August. Details of transfer affecting HQ 66 AA BDE will be issued shortly by DISTWO.
3. Transfer of present responsibilities of 5 ARMY to DISTWO is being ordered by AFHQ in a separate order which will be notified in due course.
4. DISTONE being disbanded WEF 15 September 1945
5. 210, 216 and 71 SUB AREA being relieved of their responsibilities by DISTTHREE 31 July and disbanded 13 August.

SECRET

Dist

Info-Action - Exec Commr 2
Info - Chief Commissioner
CA Section; Econ Sec; Entab Sec,
L. Pexas 21 21 Info Div; File

5123

ADAM W. HILL COMMISSION
Office the Chief Commissioner

APC 314

23 July 1945

Ref. 42/5098/Commerce

SUBJECT: Procedure for the Distribution of Captured
Civilian Material in Northern Italy

TO : Distribution below

1. The object of this Order is to set up procedures for the distribution of captured civilian material found in Northern Italy, and it is intended to implement provisions of AMG's Directive of 22 June '45, AG306 3/463 LXX-0, on the subject: "Disposition of Captured Enemy Material in Italy," and in particular paragraph 9, thereof (a copy of which is attached), insofar as AG or AMG is concerned therein.

2. It is intended that captured civilian material made available to AG/AMG under the provisions of the Directive above referred to should be dealt with under the terms of the plan for the control of the manufacture and sale of industrial products in Northern Italy attached to the letter of this HQ of 9 July '45, ref. 1.00/45.

3. The agency to receive declarations of availability of captured civilian material to be made available to AG/AMG by AMG, Base Sections of Districts in the field, or by controlling services of AMG will be the Italian Office of the War Materials Disposal Subcommittee.

4. The ownership of materials which are determined to be of Italian origin within the meaning of sub-section (1) to paragraph 9, of the AMG Directive above referred to and to which title had not passed to the Germans shall be determined by War Materials Disposal Subcommittee with the assistance of a claims board set up by that Subcommittee consisting of Italian personnel selected with the agreement of the North Italy Industrial Council and the Italian Government. The War Materials Disposal Subcommittee will make the necessary releases of these materials to the owners under financial arrangements to be made where necessary with the advice of Finance Subcommittee. The Finance Subcommittee will designate for this purpose an officer in the Northern Area to give such advice as may be required from time to time.

b. Material of Italian origin, title to which had not passed to the Germans and the ownership of which cannot be determined, will be disposed of in the same manner as all other materials turned over to AG/AMG under the terms of the Directive.

5. All materials made available to AG/AMG other than those referred to in 4, will be disposed of as provided below. The War Materials Disposal Subcommittee is constituted as the authority to issue releases of such materials to the Italian Government represented by the North Italy Industrial Council, which is hereby authorized to make such releases necessary

2. It is intended that captured civilian material made available to AG/AF under the provisions of the Directive above referred to shall be dealt with under the terms of the plan for the control of the manufacture and sale of industrial products in Northern Italy attached to the letter of this HQ of 9 July '45, ref. 1.00/42.

3. The agency to receive declarations of availability of captured civilian material to be made available to AG/AF by Armies, Base Sections of Districts in the field, or by controlling services of AFHQ will be the Milan Office of the War Materials Disposal Subcommittee.

4. The ownership of materials which are determined to be of Italian origin within the meaning of sub-section (1) to paragraph 9 of the AFHQ Directive above referred to and to which title had not passed to the Germans shall be determined by War Materials Disposal Subcommittee with the assistance of a claims board set up by that Subcommittee consisting of Italian personnel selected with the agreement of the North Italy Industrial Council and the Italian Government. The War Materials Disposal Subcommittee will make the necessary releases of these materials to the owners under financial arrangements to be made where necessary with the advice of Finance Subcommittee. The Finance Subcommittee will designate for this purpose an officer in the Northern Area to give such advice as may be required from time to time.

5. Material of Italian origin, title to which had not passed to the Germans and the ownership of which cannot be determined, will be disposed of in the same manner as all other materials handed over to AG/AF under the terms of the Directive.

6. All materials made available to AG/AF other than those referred to in 4c will be disposed of as provided below. The War Materials Disposal Subcommittee is constituted as the authority to issue releases of such materials to the Italian Government represented by the North Italy Industrial Council (NIIIC), which is hereby authorized to make suballocations necessary to enable firms and individuals to withdraw the materials in question from controlling services. These releases will contain all the information appearing on the declaration of availability called for in paragraph 7 below.

7. When materials are designated by the NIIIC for distribution in Italian Government territory, the Italian Government will issue the necessary instructions through the President of the NIIIC for suballocation to such firms and individuals as may be situated outside territory under AG control.

8. The Milan office of the War Materials Disposal Subcommittee will circulate the appropriate services under the Commanding Generals of 5th AFV, FES and the 16. 1, 2 and 10. 3 Districts requesting that declaration of availability of captured civilian materials to AG/AF be issued in triplicate and in such form as to show the exact location and description of the goods, including quantities, types, condition, packing, state of readiness for shipment, origin (Italian, German or other), or, if unknown, a statement to that effect, and the designation of the unit having physical

control thereof. Whenever possible, declarations of availability of captured civilian materials should be accompanied by existing documents, such as bills of lading, invoices, or evidence of sale or any record from which prior valuation of the goods might be ascertained. The Milan office of the War Materials Disposal Subcommission will likewise circulate sample copies of the form of the release which it will issue in the name of AS/AMT with the appropriate Subcommission endorsement so that the form may be readily recognizable by units expected to be called upon to honor suballocations made under such releases.

8. The War Materials Disposal Subcommission will circulate all releases covering industrial plant, machinery and equipment, semi-fabricated goods and raw material, in triplicate, to the Milan office of Commerce Subcommission, which will submit a copy of the same to the MILIC for consideration thereby according to the terms of paragraphs 3a (4) (5) and b (1) of the Directive of this HQ of 9 July '45. A second copy bearing the endorsement of the Industry Subcommission will be forwarded to the controlling service when the program of distribution submitted by the MILIC has been approved thereby.

9. The War Materials Disposal Subcommission will channel all releases covering consumer goods in triplicate to the Milan office of Commerce Subcommission, which will transmit one copy of the same to the MILIC for consideration under the terms of paragraph 3a of the Directive of this HQ of 9 July '45. A second copy bearing the endorsement of the Commerce Subcommission will be forwarded to the controlling service when the program of distribution submitted by the MILIC has been approved thereby.

10. The MILC offices of Industry and Commerce Subcommissions, upon transmission of such releases to the MILIC, will obtain from the latter Receiving Reports in triplicate covering the goods, to be signed by the President of the MILIC or by his delegate on behalf of the Italian Government. These Receiving Reports, in the form attached hereto, will contain all the information called for in paragraph 7 above and will be transmitted to the War Materials Disposal Subcommission. Two copies of the Receiving Report will be transmitted by the War Materials Disposal Subcommission to the Chief Accountant, Finance Subcommission, as evidence of the assumption of obligation of the Italian Government for the value of the materials and will be accompanied by such evidence of prior valuation as may have been obtained from the controlling service. The Chief Accountant will later transmit to the Italian Government one copy of the Receiving Report with request that the Italian Government certify the price at which such materials have been released for sale by the MILIC, or the fair value thereof, in the event of other disposition. Any adjustments which may be required in such Receiving Reports due to non-delivery of materials released shall be submitted subsequently by the MILIC to the War Materials Disposal Subcommission, which will investigate, where necessary, the justification for such adjustment and transmit its findings to the officer designated by Finance Subcommission

1209

consideration thereby according to the terms of paragraph 3a (4) (5) and b (4) of the Directive of this HQ of 9 July '45. A second copy bearing the endorsement of the Industry Subcommission will be forwarded to the controlling service when the program of distribution submitted by the NIIC has been approved thereby.

9. The War Materials Disposal Subcommission will channel all releases covering consumer goods in triplicate to the Milan office of Commerce Subcommission, which will transmit one copy of the same to the NIIC for consideration under the terms of paragraph 3a of the Directive of this HQ of 9 July '45. A second copy bearing the endorsement of the Commerce Subcommission will be forwarded to the controlling service when the program of distribution submitted by the NIIC has been approved thereby.

10. The Milan offices of Industry and Commerce Subcommissions, upon transmitting such releases to the NIIC, will obtain from the latter Receiving Reports in triplicate covering the goods, to be signed by the President of the NIIC or by his delegate on behalf of the Italian Government. These Receiving Reports, in the form attached hereto, will contain all the information called for in paragraph 7 above and will be transmitted to the War Materials Disposal Subcommission. Two copies of the Receiving Report will be transmitted by the War Materials Disposal Subcommission to the Chief Accountant, Finance Subcommission, as evidence of the assumption of obligation of the Italian Government for the value of the materials and will be accompanied by such evidence of prior valuation as may have been obtained from the controlling service. The Chief Accountant will later transmit to the Italian Government one copy of the Receiving Report with request that the Italian Government certify the price at which such materials have been released for sale by the NIIC, or the fair value thereof, in the event of other disposition. Any adjustments which may be required in such Receiving Reports due to non-delivery of materials released shall be submitted subsequently by the NIIC to the War Materials Disposal Subcommission, which will investigate, where necessary, the justification for such adjustment and transmit its findings to the officer designated by Finance Subcommission in the Northern Area for that purpose.

Allen V. Stone
Rear Admiral, USN,
Chief Commissioner.

2 Incls.

DISTRIBUTION:

- All Regional Commissioners
- ACG Western Division
- ACG 5th Army
- ACG 8th Army
- CS IV Corps
- CS 5 Army
- PRS

- HQ No. 1 District
- " " 2 "
- " " 3 "
- All Sections & Subcommissions, HQ AC
- Ministero dell'Industria e del Commercio
- " del Tesoro
- " per la Ricostruzione

EXTRACT

ALLIED FORCE HEADQUARTERS
APO 394

22 June 1945

AG 386.3/163 LOG-0

SUBJECT: Disposition of Captured Enemy Material in ITALY

TO : Commanding Generals, etc.

x x x x x x x x x x x

9. POLICIES

1. Captured Civilian Material

- (1) Captured material, which is not required for military purposes including maintenance of POW, which is apparently of a civil character and of Italian origin, will be turned over to Allied Commission or AMG as appropriate, who will investigate ownership and authorize its return to its owners under such financial arrangements as may be appropriate. Material of this character, the ownership of which cannot be determined, will be disposed of by sale or otherwise, as Allied Commission may determine. Proceeds of sales will be deposited in the Allied Finance Agency under Allied Commission direction and held pending further instruction from CCS.
- (2) Captured German civil material which is not required by the controlling service at this headquarters will be turned over to Allied Commission for disposal as above.
- (3) Captured civil material, which is of neither German or Italian origin will be reported to this headquarters and disposal instructions awaited.

+ + + + +

BY COMMAND OF FIELD MARSHAL ALEXANDER:

(sgd) RICHARD R. SHUGART
Colonel, AGO
Asst. Adjutant General

EXTRACT

5..

ALLIED COMMISSION

No. _____

RECEIVED FROMTo be Submitted by Agent of Italian Government for
Receipt of Captured Civilian Materials

Release Order No. _____

Endorsed by _____ Subcommission to _____
(controlling unit)

By _____

Date Received	Description of Goods	Origin	Unit	Quantity	Valuation or Price (if Available) State Basis

I certify that the goods described above were duly received from the
Allied Commission on the date quoted above

For the Italian Government

Signature_____
Title

Date _____

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HEADQUARTERS ALLIED COMMISSION
Office of the Chief Commissioner
APO 394

13242/F

18 July 1945

SUBJECT: Financial Directive for Italy.

TO : Distribution below.

1. Herewith, for your information, is copy of letter 13242/F dated 13 July 1945 addressed to the President of the Council of Ministers.

2. This communication is based on FAN 583 of 3 July, 1945, which supplements the directive contained in FAN 487 of 13 January 1945.

W. W. Stone
WILLIAM W. STONE
Rear Admiral, USN
Chief Commissioner

Distribution:

Office of the Chief Commissioner (2)
Office of the Executive Commissioner (2)
A/V.P. Economic Section (10)
V.P. Civil Affairs Section (10)
V.P. Establishment Section (10)
Director, P.R.B.
Director, Communications Sub-Comm. (2 - one for CCG)
Director, War Materials Disposal & IPW Sub-Comm.
R.C. Emilia Region (20 of which 10 for RFO)
R.C. Piemonte Region (" " " " ")
R.C. Liguria Region (" " " " ")
R.C. Lombardia Region (23 " " 13 " ")
R.C. Venezia Region (27 " " 17 " ")
R.C. Venezia Giulia Region (16 " " 6 " ")
AMC Commissioner, Naples Command } 7, of which 2 for
" " Livorno Zone } Finance Officer
" " Ancona Command (5)

HEADQUARTERS ALLIED COMMISSION

Office of the Chief Commissioner

APO 394

13242/P

13 July 1945

My dear Mr. Prime Minister:

1. I write with reference to the Aide-Memoire of 24 February, 1945, which was communicated by the Acting President and the Chief Commissioner of the Allied Commission to the President of the Council of Ministers, outlining certain steps taken by the Allied Governments to hand over an increasing measure of control to Italian administration.
2. In order to implement further the declaration of 26 September, 1944, by the President of the United States and the Prime Minister of Great Britain regarding Italy, I am now directed by the Combined Chiefs of Staff to inform your Government that the intervention of the Allied Commission in Italian fiscal matters and other internal financial affairs will in future be confined to cases involving Allied military necessity. The Allied Commission will assist or advise your Government on financial matters in territory under your jurisdiction only when your Government specifically requests such advice or assistance, which will be given at a high level between the senior officers of this Commission and appropriate officials of your Government.
3. I am further directed by the Combined Chiefs of Staff to inform your Government that, subject to certain exceptions and conditions which are indicated below, it is no longer necessary to obtain the approval of the Allied Commission prior to the execution of Italian external financial transactions.
4. The exceptions to this general rule are as follows:
 - (a) the Italian Government is requested to consult with the Allied Commission before authorizing the use of Italian external assets for the purpose of paying claims arising prior to 8 September, 1943. Thus all questions relating to the settlement of Italian clearing accounts should be discussed with this Commission before any action is taken.
 - (b) the Italian Government is requested to direct its exchange control and other appropriate authorities to consult with the Allied Commission before authorizing any external financial transactions undertaken by Italian insurance companies or involving the foreign branches or subsidiaries of such companies.
5. The Combined Chiefs of Staff have stated that as a condition of the relaxation of Allied control over Italian external financial transactions, the Italian Government

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4. The exceptions to this general rule are as follows:

(a) the Italian Government is requested to consult with the Allied Commission before authorizing the use of Italian external assets for the purpose of paying claims arising prior to 8 September, 1943. Thus all questions relating to the settlement of Italian clearing accounts should be discussed with this Commission before any action is taken.

(b) the Italian Government is requested to direct its exchange control and other appropriate authorities to consult with the Allied Commission before authorizing any external financial transactions undertaken by Italian insurance companies or involving the foreign branches or subsidiaries of such companies.

5. The Combined Chiefs of Staff have stated that as a condition of the relaxation of Allied control over Italian external financial transactions, the Italian Government is required to keep the Allied Commission fully informed as to the status of Italian external assets and of Italian external financial transactions. It is therefore requested that your Government:

(a) keep the Allied Commission fully advised as to the policies that may be adopted by the Italian Government, or any agency or committee thereof (including the Banca d'Italia), regarding the utilization and control of Italian external assets. You may find it desirable to consult with the Allied Commission before authorizing new policies or types of transactions, in order that no conditions may arise that might be prejudicial to the interests of the United Nations.

(b) submit fortnightly reports in triplicate to the Allied Commission listing all external financial transactions permitted or undertaken by the Italian Government during the period covered by the report, indicating the names of all parties to the transactions, a detailed statement of the nature and purpose of the transaction, the amount thereof, the currencies involved, the rates of exchange utilized, and any other relevant information.

6. In conjunction with the relaxation of control indicated in this letter, the Combined Chiefs of Staff have directed me to inform your Government that it will be expected to take the following steps:

(a) to establish and maintain an effective foreign exchange control agency

(b) to adopt measures in support of the economic warfare objectives of the Allied Governments.

The details of the economic warfare programme are to be communicated to your Government in the near future by the British and American Embassies in Rome, and it is expected that representatives of your Government will work with the two Embassies in the development and implementation of this programme. I am further directed to inform your Government that failure to take the steps specified in (a) and (b) of this paragraph within a reasonable period of time will result in the reimposition of prior control of Italian external transactions by the Allied Governments through the instrumentality of the Allied Commission. I should be grateful if you would keep me as closely informed as possible of your progress in the development of the programme requested by the Allied Governments.

7. I would also request that you give assurances that you assume responsibility for ensuring that remittance payments are not made to undesirable persons in Italy.

8. The Combined Chiefs of Staff have also instructed that remittances to Italy from neutral countries are to continue to be channelled through banks in the U.S. and U.K. until the measures in support of the economic warfare objectives of the Allied Governments are taken.

9. The Allied Commission has, as part of the general suspension outlined in the third paragraph of this letter, suspended the supervision and control of arrangements concluded by the Italian Government with Allied and neutral countries concerning the financing of foreign trade, except that your Government is required to ensure that the proceeds of export sales will be made available for the purpose of making essential payments arising from import needs of Italy, Italian diplomatic, consular, or military expenditure, maintenance of the Italian merchant marine, and similar expenditure.

10. Finally, I am directed to state that the relaxation of control of Italian external assets is not to be construed as affecting the rights of the Allied Governments under the Armistice Terms with respect to Italian foreign assets, nor to prejudice or affect the status of Italian property in Allied countries which has been subjected to exceptional war measures, such as sequestration, vesting, and freezing.

11. Our supplementary financial directive from the Combined Chiefs of Staff deals with certain other matters relating to Allied Military Liro currency and other Allied financial operations in Italy. Clarification of certain points is awaited and I shall communicate with you further as soon as possible.

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10. Finally, I am directed to state that the relaxation of control of Italian external assets is not to be construed as affecting the rights of the Allied Governments under the Armistice terms with respect to Italian foreign assets, nor to prejudice or affect the status of Italian property in Allied countries which has been subjected to exceptional war measures, such as requisition, vesting, and freezing.

11. Our supplementary financial directive from the Combined Chiefs of Staff deals with certain other matters relating to Allied Military Lend-Lease currency and other Allied financial operations in Italy. Clarification of certain points is awaited and I shall communicate with you further as soon as possible.

Yours very truly,

/s/ Henry C. Stone
Rear Admiral, USN
Chief Commissioner

Professor Ferruccio Parri,
The President of the Council of Ministers,
Italian Government,
Rome.

Distribution:

Hon. Alexander Kirk, American Embassy, Rome
Sir Noel Charles, British Embassy, Rome
Executive Commissioner
Political Adviser (A)
Political Adviser (B)

Acting Vice President, Loan Section
C-5 Section (Financial Adv., AFM).

HEADQUARTERS ALLIED COMMISSION
APO 394
Office of the Executive Commissioner

Ref: 517/73/EC.

14 July 1945.

SUBJECT: Liquidation of AMG Eighth Army.

TO : Distribution below.

1. HQ AMG, Eighth Army having closed 12 July 1945, the instruction contained in my letter 517/68/EC dated 25 June 1945, that copies of important correspondence be sent to SCAO Eighth Army, has been rendered ineffective.
2. My letters 517/63/EC dated 19 May 1945 and 517/68/EC dated 25 June 1945 will now be considered completely cancelled.

For the Chief Commissioner:

[Signature]
Brigadier,
Executive Commissioner.

DISTRIBUTION:

Regional Commissioners,
LOMBARDIA Region
PIEMONTE Region
LIGURIA Region
VENEZIA Region
EMILIA Region
SCAO Fifth Army

SCAO IV Corps
SCAO Venezia Giulia

List "C" - Group I.

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SECRET

HEADQUARTERS ALLIED COMMISSION

LPO 394

Office of the Executive Commissioner

Ref: 503/377/EC.

12 July 1945.

SUBJECT: Transfer of Administrative Responsibility in NW ITALY
from FIFTH Army to No.2 District.

TO : Distribution below.

1. Para 1.b. of AFHQ letter LG 323/061 LOC-0 dated 5 July 45 is extracted below for information and guidance.

"With effect from 15 July 1945 Phase II in NW ITALY will begin. On and from this date HQ 2 District will be responsible, ...
....., for territory as under:

Compartimento of LIGURIA
Compartimento of PIEMONTE
Compartimento of LOMBARDIA (less the Provincia of MANTOVA)
Provincia of P.R.M.
Provincia of P.L.C.M.) In the Compartimento of EMILIA

2. Consequent upon the commencement of Phase II in NW ITALY, effective 15 July 45, the instructions contained in para 2 of the Chief Commissioner's letter OC 1014 dated 11 June 1945 and para 2 of the Executive Commissioner's letter 517/68/EC dated 25 June 45, that copies of important correspondence be sent to SCAD FIFTH Army and SCAD IV Corps, are cancelled.

3. Civil Affairs Section, Headquarters IV Corps, will close 2400 hours, 15 July 1945.

St. John W. W.

Chief Staff Officer,
To Executive Commissioner.

DISTRIBUTION:

C.A. Section (10)
Economic Section (15)
Estab Section (b)

R.C. LOMBARDIA Region
" PIEMONTE Region
" LIGURIA Region

1. Para 1.b. of ARHQ letter LG 323/C61 LOC-0 dated 5 July 45 is extracted below for information and guidance.

"With effect from 15 July 1945 Phase II in NW ITALY will begin. On and from this date HQ 2 District will be responsible, ...
....., for territory as under:

- Compartimento of LIGURIA
- Compartimento of PIEMONTE
- Compartimento of LOMBARDIA (less the Provincia of MANTOVA)
- Provincia of PAPA
- Provincia of PLACENZA) In the Compartimento of EMILIA

2. Consequent upon the commencement of Phase II in NW ITALY, effective 15 July 45, the instructions contained in para 2 of the Chief Commissioner's letter CC 1014 dated 11 June 1945 and part 2 of the Executive Commissioner's letter 517/68/EC dated 25 June 45, that copies of important correspondence be sent to SCLO FIFTH Army and SCLO IV Corps, are cancelled.

3. Civil Affairs Section, Headquarters IV Corps, will close 2400 hours, 15 July 1945.

St. John W. W.

Chief Staff Officer,
To Executive Commissioner.

DISTRIBUTION:

C.I. Section (10)
Economic Section (15)
Estab Section (8)
Navy Sub-Commission
Land Forces Sub-Commission (MAIL)
Air Forces Sub-Commission
Communications Sub-Commission
War Material Disposal & ITH 5/C.
Liaison Div.
Information Div.

R.C. LOMBARDIA Region.
" PIEMONTE Region.
" LIGURIA Region
" EMILIA Region
SCLO FIFTH Army
SCLO IV Corps
PRO
Archives Branch
Message Centre

511

Est

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HEADQUARTERS
ALLIED MILITARY GOVERNMENT
EIGHTH ARMY.

SUBJECT : Liquidation of A.M.G. EIGHTH ARMY.

CA/ITALY.

HQ Allied Commission - (30 Copies).

10 Jul 45.

1. W.c.f. 12 Jul 45, Eighth Army will deal direct with AMG 13 Corps and VENEZIA Region in respect of all AMG matters concerned with their respective areas, and this HQ ceases to be concerned with any aspect of Military Government in ITALY or VENEZIA GIULIA.
2. Will you, therefore, please note that the Courier should NOT call here after 14 Jul 45; that no further correspondence on ITALY should be addressed here, and that this Headquarters should be omitted in future from your Distribution Lists.
3. All files relating to ITALY are being closed and despatched to the Archivist on the Courier leaving this HQ on 15 Jul 45. Those relating to VENEZIA and VENEZIA GIULIA will be sent to HQ AMG VENEZIA Region and AMG 13 Corps respectively.
4. Sufficient copies of this letter are being sent to you for distribution to all Branches and Sub-Commissions.

B. J. ...
Air Commodore,
Officer Commanding,
H.Q., A.M.G. EIGHTH ARMY.

Copy to: SCAD, AMG 13 Corps,
RC AMG VENEZIA Region,
RC AMG LOMBARDIA Region,
RC AMG EMILIA Region,
RC AMG PIEMONTE Region,
RC AMG LIGURIA Region,
SCAD, AMG Fifth Army,
G-5 Section, U.S.F.A.,
M.G.B. (AUSTRIA).
PC, AMG UDINE Province.
G-5 Section, A.F.H.Q.

DISTRIBUTION
(See 5 Reverse)

CHIEF COMMR

EX COMMR

CA SEC (5)

ECON SEC (7)

ESTAB SEC (2)

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WM D + POW S/C

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ARCHIVIST

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