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ADVISORY COUNCIL FO
NOV. 1945 - FEB. 1947

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ADVISORY COUNCIL FOR ITALY, MINUTES OF MEETINGS
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SECRETARIAT
ADVISORY COUNCIL FOR ITALY

FEB 21 1947

Rome, February 19, 1947

The Secretariat has the honor to transmit herewith two copies
of the minutes of the sixty-first meeting of the Advisory Council
for Italy.

Enclosure:

Minutes of 61st Meeting (2)

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REAR ADMIRAL HENRY W. STONE

AHQ

ROME

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FEB 21 1947

MINUTES OF THE 61st MEETING
OF THE ADVISORY COUNCIL FOR ITALY

The meeting was held at Palazzo Farnese, on January 27, 1947 under the chairmanship of M. Georges Baley, the French Representative on the Council. Present at the meeting were:

- | | |
|------------------------------|----------------|
| M. Georges Baley | France |
| M. Pierre Sebilleau | |
| M. Constantin Vathiotis | Greece |
| M. Alexandre C. Argyropoulos | |
| Mr. John G. Ward | United Kingdom |
| Mr. H.A.A. Hankey | |
| Mr. John L. Goshie | United States |
| Dr. Sloven J. Smoljaka | Yugoslavia |
| M. Cedomir Veljacić | |

The agenda for the meeting included the following items:

- 1.) Discussion of Italian Political Events.
(The Chief Commissioner of the Allied Commission will be invited to attend).
- 2.) Statement of the Soviet Union Representative regarding Discontinuance of Provision of Funds by the Combined Chiefs of Staff to the Soviet Delegation and Reimbursement for past Advances'.
- 3.) Restitution by the Italian Government of Yugoslav Property taken by Italian Fascist Authorities, included the Yugoslav Sunken Ships, which should be salvaged and repaired at the Expenses of the Italian Government'.
- 4.) 'Extradition to the Yugoslav Government of Italian War Criminals listed by the United Nations War Crimes Commission on Request of Yugoslavia'.
- 5.) 'Hand over to the Yugoslav Government of Yugoslav Traitors Actually in Italy'.
- 6.) Miscellaneous.
- 7.) Press Communiqué.

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The Chairman informed the Council that Mr. Goshie had an important announcement to make.

Mr. Goshie reported, in his capacity of Chief of the Secretariat of the Council, that he had been requested by Colonel Savko,

- M. Constantin Vatikioty Greece
- M. Alexandre G. Jaggeropoulos
- Mr. John G. Ward United Kingdom
- Mr. H.A.A. Hankay United States
- Mr. John L. Goshie United States
- Dr. Sloven J. Smoljaka Yugoslavia
- M. Cedomil Veljacić

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- 5.) Hand over to the Yugoslav Government of Yugoslav Traitors Actually in Italy.
- 6.) Miscellaneous.
- 7.) Press Communique.

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The Chairman informed the Council that Mr. Goshie had an important announcement to make.

Mr. Goshie reported, in his capacity of Chief of the Secretariat of the Council, that he had been requested by Colonel Savko, the Soviet Union Representative, to inform the Council that in view of the Soviet Government's agreement to the discontinuance of the Allied Commission, the Soviet Government had decided to withdraw immediately from the Advisory Council for Italy and that therefore the Soviet Union Representative would not attend today's meeting of the Advisory Council for Italy.

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The Chairman stated that the action taken by the Soviet Union Representative raised a juridical question as to whether the Council could continue the meeting without a plenary session.

Dr. Smedlaka stated that he was without instructions on this particular point but that he believed that the Council could continue the present session until further action was taken.

The Chairman expressed his personal point of view that the Advisory Council for Italy forms a body and that it is difficult for that body to act without the presence of all its members.

Mr. Ward stated that he felt that the Council could hold a meeting today.

Mr. Goshie stated that, as far as he knew, the Moscow Terms of Reference did not provide for a contingency of this sort and, in the absence of instructions to the contrary, he thought the Council might hold today's meeting, provided the Council refrained from taking any positive action.

The Chairman stated that he felt the Council could carry on today and suggested that each Representative request the views of his Government as to whether the Council may or may not carry on without Soviet Union participation and communicate the reply to the Secretariat for transmission to all other Delegations.

The Chairman then opened the meeting and thanked Admiral Stone for attending it. He inquired whether any of the Representatives wished to ask any questions in connection with Italian political events.

1. Discussion of Italian Political Events

M. Vatikioty inquired whether Admiral Stone could confirm ²⁰⁴¹ press report according to which Italy would not be asked to repay to the United States the relief funds granted to her prior to the establishment of UNRRA in Italy. He inquired also as to the approximate amount of the above mentioned relief funds.

Admiral Stone replied that the Allied Commission had not been advised on this subject, that the supplies brought in during the period of Anglo-American military responsibility were brought in jointly and that he was not able to provide data indicating specific sources. He stated that he believed the sum would be materially larger than 200 million dollars.

Mr. Ward stated that he had not seen any official statement on the matter.

M. Vatikioty inquired about two ships which, he understood, were to be handed over to the Italians by the Americans, Conte Grande and Conte Biancamano.

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Admiral Stone stated that he was not in a position to answer this question since it was a matter of communications between the Italian and American Governments, which communications went directly from one Government to the other Government and not through the Allied Commission.

Admiral

Admiral Stone informed the Council that the Allied Commission had been notified by SACED that the Commission would be terminated within three weeks from receipt of notification, that is, at midnight, January 31, 1947. He added that this meeting would therefore be the last he could attend. Admiral Stone stated that certain functions formerly performed by the Allied Commission would now be performed by AFHQ.

Dr. Smodlaka inquired about the functions to be performed by AFHQ after January 31, 1947.

Admiral Stone replied that such functions would include the direction of Italian armed forces. He explained that SACED would probably establish in Rome a special section with functions other than military, including supervision of displaced persons.

Dr. Smodlaka inquired as to how long such an institution would last.

Admiral Stone replied that it was his personal opinion that it would last until "R" Day. Admiral Stone reported that he had instructions to discontinue the weekly bulletins published by the Allied Commission and that, accordingly, these would no longer be available for distribution to the Council.

The Chairman declared that this was agreeable to the Council. He inquired whether any of the Representatives wished to ask questions relating to Italian political events and after ascertaining that none did, he thanked Admiral Stone for his explanations.

2. "Statement of the Soviet Union Representative regarding Discontinuance of Provision of Funds by the Combined Chiefs of Staff to the Soviet Delegation and Reimbursement for past Advances".

The Chairman asked whether any of the Representatives wished to make comments.

Mr. Ward stated that since this item had been presented by the Soviet Union Representative he felt it should be deleted from the agenda in view of the withdrawal from the Council of the Russian Representative.

Mr. Goshie expressed support of this suggestion.

Dr. Smodlaka requested that the item be retained on the agenda.

Mr. Ward agreed to this provided that Dr. Smodlaka adopted the item.

Dr. Smodlaka stated that he was prepared to do so.

The Chairman ascertained that there were no objections to retaining the item on the agenda.

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Mr. Geshie expressed support of this suggestion.

Dr. Smodlaka requested that the item be retained on the agenda.

Mr. Ward agreed to this provided that Dr. Smodlaka adopted the item.

Dr. Smodlaka stated that he was prepared to do so.

The Chairman ascertained that there were no objections to retaining the item on the agenda.

- 3. "Restitution by the Italian Government of Yugoslav Property taken by Italian Fascist Authorities, included the Yugoslav Sunken Ships which should be salvaged and repaired at the Expenses of the Italian Government".

Dr. Smodlaka referred to SACED's reply G-5: 912.23-1 of December 23, 1946 (see Appendix #1) and stated:

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1. I am studying the reply of SACMED of December 23, 1946.
2. I was informed in the meantime that the Yugoslav S/S 'JuraJ Subic', sunk at Civitavecchia, was seriously damaged in November 1946, particularly that the plates on the back part of the ship and the rivets were loosed. The back of the ship was filled with stones (about 50-60 tons) thrown there at the occasion of cleaning the shore. S/S 'JuraJ Subic' was also seriously damaged by blowing up of an Italian vessel sunk in her vicinity. I protest herewith against such proceeding through which Yugoslav ships seized by the Fascists and sunk, instead of being salvaged, continue to be destroyed. It is considered that the Italian authorities are responsible for it and we shall reserve the right to demand the indemnity. I request that the Allied authorities take urgently necessary steps in order to prevent that Yugoslav sunken ships be further destroyed before being salvaged and retained.
3. I request that the item remain on the agenda for the next meeting.

The Chairman stated that, in view of the withdrawal from the Council of the Soviet Union Representative, he felt that the Council could not act on the Yugoslav proposal.

Dr. Smodlaka requested that the item be referred to SACMED.

The Chairman pointed out that the Allied Commission was about to be discontinued.

Mr. Ward agreed with the Chairman that Dr. Smodlaka's suggestion was not practicable in view of the imminent discontinuance of the Allied Commission.

Dr. Smodlaka stated that it was his duty to protest against the damage done to Yugoslav ships and to inform the Advisory Council of his desire that the ships be salvaged.

The Chairman stated that the Council understood the Yugoslav Representative and desired to help him but was without practical means to do so.

Dr. Smodlaka requested that the item be retained on the agenda.

The Chairman ascertained that all Members of the Council were agreeable to this proposal.

4. Extradition to the Yugoslav Government of Italian War Criminals listed by the United Nations War Crimes Commission on Request of Yugoslavia.

The Chairman stated that until the question of the status of the Council had been decided, the Council was without practical means of extending any assistance to the Yugoslav Delegation in this matter.

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The Chairman stated that, in view of the withdrawal from the Council of the Soviet Union Representative, he felt that the Council could not act on the Yugoslav proposal.

Dr. Smodlaka requested that the item be referred to SACRED.

The Chairman pointed out that the Allied Commission was about to be discontinued.

Mr. Ward agreed with the Chairman that Dr. Smodlaka's suggestion was not practicable in view of the imminent discontinuance of the Allied Commission.

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The Chairman stated that the Council understood the Yugoslav Representative and desired to help him but was without practical means to do so.

Dr. Smodlaka requested that the item be retained on the agenda.

The Chairman ascertained that all members of the Council were agreeable to this proposal.

4. Extra-territoriality to the Yugoslav Government of Italian War Criminals listed by the United Nations War Crimes Commission on Request of Yugoslavia.

The Chairman stated that until the question of the status of the Council had been decided, the Council was without practical means of extending any assistance to the Yugoslav Delegation in this matter.

Dr. Smodlaka inquired which was the competent Allied authority pending the establishment of the Council of Ambassadors.

Mr. Ward stated that according to his understanding the primary function of the Council of Ambassadors would be that of a court of appeals to which the Governments would apply if they failed to obtain satisfaction from the Italian Government under the terms of the peace treaty.

Dr.

Dr. Smodlaka requested that the item be retained on the agenda.

The Chairman ascertained that the Council was agreeable to this proposal.

5. "Hand over to the Yugoslav Government of Yugoslav Traitors actually in Italy".

The Chairman called on Dr. Smolaka who made the following statement:

"1. On the Italian territory there is a great number of Yugoslav traitors and collaborationists who have committed a lot of crimes against their own people.

In order to make clear what kind of criminals we mean, I may quote as examples only a few names of those traitors:

A. PAVELIC ANTE, Chief of the Quisling State of Croatia. He is responsible for murdering of 800,000 Serbs in Croatia, for having detained in concentration camps an almost equal number of Croats and for mass extermination of Jews and Gypsies. He is responsible for military and economic assistance given to the Axis Forces from 1941 until the end of the war.

B. PECNIKAR VILKO, Ustashi General, Commander of the Ustashi Units of the Quisling State of Croatia. Under his command slaying in masses of Serbs and arson of whole villages in Croatia was performed. Under directives of Pavelic and the Germans he was executing "cleanings" of the Partisan territory, which action consisted in murdering peaceful inhabitants, burning villages and looting property of the slain people. Now he is living in Rome.

C. REBOK Dr. JUFAN. In 1941, he was Prefect of the Glina District. Under his command the Ustashi performed the well known mass murder of Serbs in the Orthodox Church at Glina, on 29 July 1941, where 700 persons were slain and tortured in a bestial way. He is responsible for the slaughter of more than 3000 persons in the Glina District, among whom there were a great deal of old people, little children and women. There were instances where the Ustashi cut abdomens of pregnant women, took out the foetus, cut the children in pieces, forced women to eat the children and finally murdered the women in a bestial way. Dr. Rebok is at present living in Rome. He is Committee-member of the Croat Ustasha Emigré Society the "Fraternity of St. Hieronimus" ("Bratovština Sv. Jerolima"), Via Tomacelli 132, with whom the "Displaced Persons Division" is keeping contact.

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D. DJUJIC MOMCILO, an orthodox priest, Chetnik "Vojvoda" (Military Commander), a well known collaborator from the Knin District. Already in November 1943 the Allied Commander of the Middle East Forces, General Wilson, said of him that he was an ill famed collaborationist. This statement was later broadcasted by all Allied Radio stations. Djujic is responsible for murdering of more than 1000 persons for arson of more than 70 villages, for immense

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E. GRUJICIC RADAN, Commissar of the Special Police for the town of Beograd. During the occupation, under his rule more than 10,000 people were arrested, sent to forcible labour to Germany and mostly to the Concentration Camps Banjica and Sajmiste in Beograd and to

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the Institution for forcible education of youth in Smederevska Palanka. Under his directives and action more than 10,000 people have been slain and an almost equal number of people died from hunger, being under-nourished, tortured and sick in the camps. He used to perform torturing and beating of the arrested persons personally in order to get out of them information about the organization and the work of the Patriots. He used to strip gold teeth from dead bodies of his victims and it is well known that he made some gold cubes out of this material and brought the cubes to Italy and is still in possession of two of these cubes. He is living at present in Eboli.

F. DAMJANOVIC Miodrag, ex-Yugoslav General. During the war he was a German P.O.W. and in 1945 he organized the signing of a petition to Hitler by the Yugoslav Royal Army Senior Officers. Disasters of War, where textually the greatness of the Third Reich was glorified and the Yugoslav Senior Officers POW declared that they wished to put themselves under Hitler's orders, requesting to be sent into Medic' Serbia in order to fight against the National Liberation Army. In connection with this petition Damjanovic was released from the Prisoners of War and transferred to Secured where, on recommendation of the Germans, he was appointed Chief of Cabinet in the Quisling Serbian Government of General Milan Medic. In this capacity he worked for the interests of the German warfare enforcing requisition of agricultural products in villages for supplies of the German Army, export of various products and materials to Germany and persecution of Patriots who resisted the Occupant authorities everywhere. In 1945, following an agreement with Milan Medic and Draza Mihajlovic he was transferred to the Chetnik Headquarters. There he organized and directed fighting of Chetniks and Germans on the Drina front, after which he was sent to Istria, where he united the forces Ljotic' and Djulic' Chetniks, Ustashi 'Domobrans' etc. helping thus the German warfare to resist the longest possible. Finally, in May 1945, before the very capitulation of Germany, Damjanovic displayed his forces on the front near Rijeka (Fiume) and Soca (Isonzo) and thus defended the retreat of the German Forces from Italy in Austria. A special chapter of his history would consist of telling about the killing, arresting and arson made by his soldiers under his command.

G. NOVAKI KARLO, ex-Yugoslav General-Staff Major. After the Italian occupation of Slovenia, he organized the so-called "Blue Guard" ('Plevo Garda') and was the chief commissioner of Draza Mihajlovic for Slovenia. From 1941-1943 he permanently was the Commander in Chief of these formations and fought together with the Italian Fascist Occupant Forces against the National Resistance Movement (the National Liberation Army). Under his command, a great many people were arrested and handed over to the Italians who tortured them and detained them in Concentration Camps, particularly in the Camp of Gonars. His most dangerous collaborationism consisted in organizing the intelligence service for the Italian Occupants, information about persons to be arrested, interned, etc. and dates when to perform such acts were received and transmitted to the Italian Fascists.

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2. The Yugoslav Government requested individually the surrender of Yugoslav traitors at present in Italy from the British Foreign Office and from the State Department. The Governments of the United Kingdom and of the United States agreed on handing over of a considerable number of these traitors and gave instructions to AFHQ to surrender the traitors to the Yugoslav Government. But the Allied Military authorities in Italy have handed over to the Yugoslav Government only a few of these traitors.

All soliciting of the Yugoslav Government through London and Washington, and of this Delegation to the Allied Authorities in Italy remained without result. It was replied to us that a great number of traitors have not been handed over to the Yugoslav Government because it was impossible to find them. The Allied Authorities refused however to give permission to a Yugoslav Mission to come here in order to collaborate with the Allied Military Authorities in finding Quislings whom it has hitherto been impossible to trace. Besides that, the Allied authorities did not accept three proposals of our Delegation offering collaboration in these matters (in January, August and December 1946).

The non-accomplishment of the surrender of these traitors and the above mentioned refusals to collaborate with the Yugoslav authorities in Italy in matters of extradition of war criminals shows that the Allied Military Authorities in Italy do not wish to comply with the decisions about the extradition of traitors as communicated by the Governments of the United Kingdom and the United States to the Yugoslav Government.

3. In the meantime, the right to arrest traitors passed in a considerable measure to the Italian Government. The British Foreign Office in their note No. R.10635/58/92, dated July 26, 1945, informed the Yugoslav Ambassador that 'apart from those persons at present living in displaced persons camps, the remaining Yugoslavs in Italy are now within the jurisdiction of the Italian Government, and any person who is not in one of these camps can only be arrested and handed over to the Yugoslav Government by the Italian authorities'. The same thing was communicated to us by the Allied Commission in their letter no. 4/29.8/CA of 16 September 1946, stating that 'the power to arrest in Italy, except in AMG territory, lies with the Italian Government'.

But the Italian Government is not only authorized to apprehend and surrender Yugoslav traitors, it is also its duty to do so as soon as the Yugoslav Government has requested from the Allies the apprehension and surrender of the said traitors. On basis of Art. 29 of the Armistice Terms 'all persons suspected of having committed war crimes or analogous offenses, who are in Italy, will forthwith be apprehended and surrendered'. This also fully corresponds to Art. 38 of the Draft Peace Treaty according to which Yugoslav traitors have to be apprehended and surrendered. It is the duty of SACEED to take care that Italy should comply with the Armistice Terms in as much as the power of arresting in Italy has been given to the Italian Government. He knows that the Yugoslav Government demanded that Yugoslav traitors be arrested and it is his duty to take necessary steps, if necessary even through the Italian Government, to have the traitors apprehended and surrendered to the Yugoslav Government.

Since neither the Italians are surrendering to us Yugoslav traitors, this shows that SACEED did not make arrangements at all with the Italian Government for apprehension and surrendering

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Since neither the Italians are surrendering to us Yugoslav traitors, this shows that SACEED did not make arrangements at all with the Italian Government for apprehension and surrendering of Yugoslav traitors by the Italians.

4. Though, not only that the Allied and the Italian authorities have not arrested the Yugoslav traitors, but they allowed by lack of a vigilant control that many Yugoslav traitors and well known war criminals left Italy and sailed to South America on December 29, 1946 from Genoa, and on December 31, 1946 from Naples, aboard the Italian S/S 'Andrea Gratti'. Among more than 100 Yugoslav émigrés. Among others there were, for example: the Ustashi Minister Dr. Vjekoslav VRANJIC, one of the closest collaborators of the Croat Quisling Pavelic, the Ustashi Minister Dr. Stjepan HEFER,

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the Ustashi Minister Dr. Ante NIKSIC, the Ustashi General Matija CAVIC, a GALIC illfamed Ustashi slayer from the "Laburic" Battalion, Ivan PULIC from the "Kandzar" Division, MORGAN Dragutin, assistant of the Serbian Fascist leader Ljotic, a well known collaborationist of the Germans since 1941, a high Ustashi official KISIC and many others. The expenses for the journey of the greatest part of the Jugoslavs who thus left for South America, were paid by the "Inter-governmental Committee on Refugees", whereas the entry visa to South America was procured to most of them by the Vatican "Assistenza Pontificia". This case shows that these two institutions enable Yugoslav traitors, collaborationists and war criminals, who should be apprehended and surrendered to the Yugoslav authorities, to leave Italy and to go to the overseas countries where their apprehension will be even more difficult.

The Yugoslav Delegation protest herewith

- (A) against the proceeding of the responsible Allied and Italian authorities who allowed that on 29 and 31 December 1946, the above mentioned Yugoslav traitors and war criminals left Italy instead of being apprehended and surrendered to the Yugoslav authorities;
- (B) against the non-accomplishment of the Armistice Terms towards Yugoslavia because Yugoslav traitors are not being apprehended and surrendered to the Yugoslav authorities.
- 5. Such proceeding of the Allied and Italian authorities in Italy is also in contradiction with the recent Resolution of the Meeting of the United Nations Organization, stating the insuccess of the work done up to date in finding out and surrendering of war criminals, and inviting the member-States to give their assistance in dealing with this problem.
- 6. With reference to the foregoing I propose that the Advisory Council may advise SACED to take urgently the necessary steps in order that Yugoslav traitors actually in Italy be apprehended and surrendered to the Yugoslav Government and that any further escaping of Yugoslav traitors from Italy be made impossible, especially their emigrating in overseas countries. SACED may make arrangements for this purpose also with the Italian Government".

2037

The Chairman pointed out that the Yugoslav Representative requests the intervention of the Council with SACED.

Mr. Ward stated that, for reasons explained during the discussion of previous items on the agenda, the Advisory Council could not take any action, but that he saw no objections to the statement being forwarded to SACED.

Mr. Goshie stated that he too saw no objections to forwarding the Yugoslav statement to SACED for information only, under cover of a transmitting letter explaining the present status of the Council, which has arisen as a result of the withdrawal from the Council of the Soviet Union Representative.

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- (B) against the non-accomplishment of the Armistice Terms towards Jugoslavia because Yugoslav traitors are not being apprehended and surrendered to the Yugoslav authorities.

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Mr. Goshie stated that he too saw no objections to forwarding the Yugoslav statement to SACTED for information only, under cover of a transmitting letter explaining the present status of the Council, which has arisen as a result of the withdrawal from the Council of the Soviet Union Representative.

Mr. Ward suggested that the Yugoslav statement be transmitted under cover of a personal letter from the Chairman to SACTED.

Dr. Smolaka agreed but requested that the Chairman, in his letter, ask SACTED for a report on the matter.

Mr. Goshie stated that he felt that, until such time as the views of the five other Governments were ascertained as to whether they

they wished the Council to continue, it would be inappropriate for the Council to request such a report.

Mr. Ward expressed concurrence with Mr. Goshie's views.

Dr. Smodlaka requested that it may be pointed out in the covering letter that it was proposed by the Yugoslav Representative to request a report on this item from SACIED.

The Chairman ascertained that the Council was agreeable to transmitting to SACIED the Yugoslav statement under cover of a personal letter from him, in which he will outline the present status of the Council and indicate the views of the individual Representatives on this subject.

The Chairman further ascertained that the Council was agreeable to retaining the item on the agenda.

6. Miscellaneous

The Council had no miscellaneous business to discuss.

7. Press Communique

The Council agreed to release the following press communique:

"The 61st meeting of the Advisory Council for Italy was held on January 17, 1947 under the chairmanship of the French Representative a.i., M. Georges Dalay. Other members of the Council present were:

- Mr. Constantin Vatikictty Greece
- Mr. John G. Ward United Kingdom
- Mr. John L. Goshie United States
- Dr. Sloven J. Smodlaka Yugoslavia

Various questions were discussed.

Rear Admiral Ellery W. Stone, Chief Commissioner of the Allied Commission, attended the meeting".

DATE OF NEXT MEETING

The Council agreed to withhold from fixing the date of the next meeting pending receipt of instructions from the respective Governments.

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The Chairman further ascertained that the Council was agreeable to retaining the item on the agenda.

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The Council had no miscellaneous business to discuss.

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Appendix #1:

Letter from Allied Force Headquarters, dated Dec. 23, 1946, signed by Chief of Staff, Major General T.A. Airey.

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APPENDIX #1
TO MINUTES OF 61st MEETING OF THE ADVISORY COUNCIL FOR ITALY

ALLIED FORCE HEADQUARTERS
Office of the Chief of Staff

December 23, 1946

C-5 : 912.23-1

SUBJECT: Restitution of Yugoslav Property.

TO : Chairman in Retention,
Advisory Council for Italy,
ROME.

1. I have the honour to refer to the letter from M. Georges Belay of the 5th August and this Headquarters reply of 25th October, in which the hope was expressed that it would be possible to supply you with the information you desired at a later date. I now forward the promised report.

2. With regard to List A, you will note that, before Yugoslavia brought the matter before the Advisory Council, she had been informed that so far as the first eleven items were concerned, she had no case. Items 12 to 17 have either been handed back to or are awaiting take over by Yugoslavia. Items 18 to 23 cannot be traced. Of the 100 small vessels in items 24 and 25 - 77 cannot be traced, many of these small motor launches may have been repainted and renamed. Further action is not possible without fuller and better evidence of identity and present location. Of the remaining 23 vessels, 12 were last heard of in Yugoslav ports, 6 are stated to be in Allied and not Italian hands but have not been identified by the Allies, 2 are stated to have been destroyed and 3 have been traced.

3. With regard to List B, you will note that of the 18 items only four had been presented to the Italian Government prior to Sir Noel Charles' letter of the 15th May. The Yugoslav Government has received reports from the Allied Commission about the first four items. The Supreme Allied Commander does not consider that the remaining 14 items should have been presented to him as matters on which the Yugoslav Government had been unable to obtain redress until all proper efforts to obtain satisfaction had been made and had failed. The Allied Commission is in contact with the Italian Government on these items and will keep the Yugoslav Delegate informed. The Supreme Allied Commander does not propose to take any further action as regards Lists A and B until he learns the results of the contacts of the Allied Commission.

4. Will you please also note that the Supreme Allied Commander has not the means to conduct investigations into disputed matters nor is he prepared to adjudicate on such. Where the case is clear, the Supreme Allied Commander, if satisfied that he should do so, is prepared to act; but, contentious matter must be settled through diplomatic channels.

2036

TO : Chairman in Rotation,
Advisory Council for Italy,
ROME.

1. I have the honour to refer to the letter from Lt. Georges Palay of the 5th August and this Headquarters reply of 25th October, in which the hope was expressed that it would be possible to supply you with the information you desired at a later date. I now forward the promised report.

2. With regard to List A, you will note that, before Jugoslavia brought the matter before the Advisory Council, she had been informed that so far as the first eleven items were concerned, she had no case. Items 12 to 17 have either been handed back to or are awaiting take over by Jugoslavia. Items 18 to 23 cannot be traced. Of the 100 small vessels in items 24 and 25 - 77 cannot be traced, many of these small motor launches may have been repainted and renamed. Further action is not possible without fuller and better evidence of identity and present location. Of the remaining 23 vessels, 12 were last heard of in Jugoslav ports, 6 are stated to be in Allied and not Italian hands but have not been identified by the Allies, 2 are stated to have been destroyed and 3 have been traced.

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4. Will you please also note that the Supreme Allied Commander has not the means to conduct investigations into disputed matters nor is he prepared to adjudicate on such. Where the case is clear, the Supreme Allied Commander, if satisfied that he should do so, is prepared to act; but, contentious matter must be settled through diplomatic channels.

FOR THE SUPREME ALLIED COMMANDER, MEDITERRANEAN THEATRE:

T.A. AHEY
Major General
Chief of Staff

2036

LIST "A"

SHIPS CLAIMED BY YUGOSLAVIA

1. SUNKEN SHIPS

Serial No.	NAME OF SHIP	ACTION TAKEN
1.	S/S JURAJ SUBIC	Yugoslavia informed on 3 April by ALCEM letter NSC/4974 that the cost of salvage of liberated ships falls in the category of restitution. The Supreme Allied Commander is not prepared to make any representation hereon. Any claim must be taken up diplomatically.
2.	S/S YUGOSLAVIA	
3.	Yacht TIHA	
4.	S/S SOGA	
5.	S/S SARAJEVO	
6.	S/S TOPOLA	
7.	S/S BUREVNIK	
8.	S/S DRAVIA	
9.	S/S UGA	
10.	Schooner AIDA	
11.	M/V USPOJENA (Ricordo)	
11.bis	S/S BISTRICA (TEODO)	

2. OTHER SHIPS

12.	S/S UGA (Monte Maggiore)	This vessel was found in Civitavecchia sunk and heavily damaged. She is considered to be beyond economic repair. As a "constructive" wreck the content on items 1/11 applies to her also.
13.	M/S SUDMER	The Yugoslav Delegation to the Advisory Council for Italy was informed by NSC/5731 of 4 December and NSC/5740 of 6 December that the vessel was available for handing back to representatives of the Yugoslav Government. The Italian Ministry of Marine was similarly informed and both authorities have been requested to inform the Navy Sub-Commission when the restitution has taken place.

14. I/V VILA (NINFA)

The Yugoslav Delegation to the Ad-

Commander is not prepared to make any representation hereon. Any claim must be taken up diplomatically.

- 3. Yacht TYPE
- 4. S/S SOGA
- 5. S/S SARAJEVO
- 6. S/S TOPOLA
- 7. S/S DUBROVNIK
- 8. S/S DRAVIA
- 9. S/S UNA
- 10. Schooner AIDA
- 11. M/V USPORELA (Ricordo)
- 11.bis S/S BISTRICA (HECO)

2. OTHER SHIPS

12. S/S UGHA (Monte Maggiore)
 This vessel was found in Civitavecchia sunk and heavily damaged. She is considered to be beyond economic repair. As a "constructive" wreck the consent on items 1/11 applies to her also.

13. M/S SUMIR
 The Yugoslav Delegation to the Advisory Council for Italy was informed by NSC/5731 of 4 December and NSC/5740 of 6 December that the vessel was available for handing back to representatives of the Yugoslav Government. The Italian Ministry of Marine was similarly informed and both authorities have been requested to inform the Navy Sub-Commission when the restitution has taken place.

14. M/V VILA (NIEFA)
 The Yugoslav Delegation to the Advisory Council for Italy was informed by NSC/5718 of 30 November 1946 that this vessel was available for handing back to representatives of the Yugoslav Government. The Italian Ministry of Marine was similarly informed and both authorities have been requested to inform the Navy Sub-Commission when the restitution has taken place.

15. Trawler Br. 2 (ARBE) Handed over to Yugoslavia at Trieste on 8 January 1946.

16. Trawler Br. 4 (JUNO) The Yugoslav Delegation to the Advisory Council for Italy was informed by MSC/5617 of 8 November and by MSC/5516 of 8 November that the Trawler (dredge) No. 4 (JUNO) and the tugboat BOJANA (ZARA) are available for handing back to representatives of the Yugoslav Government. The Italian Ministry of Marine informed the Navy Sub-Commission on 7 December that the two craft have been taken over by the Yugoslav authorities.

- 18. Tugboat J.P. 1 Not traceable
- 19. S/S ZRMANJA (ISTO) Not traceable
- 20. M/V ISTOK II Not traceable
- 21. M/V VILA Presumed to be the same as item 14.
- 22. M/V MIRAMAR Not traceable
- 23. M/V MARJAN Not traceable

24. 2 Custom Patrol Boats nos 32 and 35 The Yugoslav Delegation to the Advisory Council for Italy was informed by MSC/5718 of 30 November 1946 that IB-32 vessel was available for handing back to representatives of the Yugoslav Government. The Italian Ministry of Marine was similarly informed and both authorities have been requested to inform the Navy Sub-Commission when the restitution has taken place. MS 38 was last heard of in Spalato in Yugoslavia. No further information is available regarding her.

25. Yugoslav Custom. This is a list of 98 small motor vessels, launches, etc. Many may have been repainted and renamed. There is little information which would lead to positive identification. Yugoslavia informed on 3 October by ALCOM letter MSC/5513 that 11 of the vessels were last heard of in Yugoslavia ports. 5 were stated to have gone to Malta and efforts are being made to trace them now that more complete descriptions have been supplied by the Yugoslav Government.

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- 18. Tugboat J.P. 1 Not traceable
- 19. S/S ZREMANJA (ISTOC) Not traceable
- 20. M/V ISTOK II Not traceable
- 21. M/V VILA Presumed to be the same as item 14.
- 22. M/V MIRAMAR Not traceable
- 23. M/V MARTAN Not traceable

24. 2 Custom Patrol Boats nos 32 and 33

The Yugoslav Delegation to the Advisory Council for Italy was informed by NSC/5718 of 30 November 1946 that IE-52 vessel was available for handing back to representatives of the Yugoslav Government. The Italian Ministry of Marine was similarly informed and both authorities have been requested to inform the Navy Sub-Commission when the restitution has taken place. ME 98 was last heard of in Spalato in Yugoslavia. No further information is available regarding her.

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This is a list of 98 small motor vessels, launches, etc. Many may have been repainted and renamed. There is little information which would lead to positive identification. Yugoslavia informed on 3 October by ALCOM letter NSC/5513 that 11 of the vessels were last heard of in Yugoslavia ports. 5 were stated to have gone to Malta and efforts are being made to trace them now that more complete descriptions have been supplied by the Yugoslav Government.

- 2 had been destroyed by enemy action.
- 2 were stated to be under repair at Bari.
- 1 was stated to be in Allied hands but is not identified.

The remainder have not been traced. The Supreme Allied Commander is unable to take further action without fuller and better evidence of identity and present location.

PROPERTY OTHER THAN KNIPS, CLAIMED BY YUGOSLAVS

Serial No.	SUBJECT	ACTION TAKEN
1.	9 Machines from Tobacco.	Yugoslavia informed on 8 February by AIGOM letter AC/5622/TMC that Italy had left a large number of machines at tobacco factories in Fiume, Pola, Rovisco and Zara, and that 16 of these machines had been supplied in re-shipment of the 9 machines claimed. The Supreme Allied Commander cannot adjudicate contentious claims. The matter must be settled diplomatically.
2.	Machines and tools by Trifletti.	Yugoslavia informed on 19 August 1946 AIGOM letter 9009/206/EC that: a) the firm Trifletti did not remove the machineries concerned, but bought them from the High Commissioner of Lubiana; b) the specification of the machines bought by the a/m do not correspond with the specifications of the machines mentioned in the list submitted by the Yugoslav Delegation; c) the machines with other tools, however, were left on the road of Gruden and were not to be found there after the war because removed by party or parties unknown.
3.	13 Rail Wagons of Yugoslav Railway.	Yugoslavia informed on 5 June by AIGOM letter AC/333/TN 4 that this case should be cleared through the machinery of ECITO. The Supreme Allied Commander concurs.
4.	Property looted by Italian Brigata dei Carabinieri Albanesi Lorenzo.	Yugoslavia informed on 2 August by AIGOM letter 9009/193/EC that the charges are denied. The Supreme Allied Commander has not the machinery to investigate and adjudicate on contended matters. If the matter is to be pursued it must be taken up diplomatically.
5.	The Yugoslav Insurance Company "Yugoslavia"	These claims were first made after the original submission by Sir Noel Charles

ALCOM letter AG/5422/LWO that Italy had lost a large number of machines at tobacco factories in Fiume, Pola, Rovigo and Zara, and that 18 of these machines had been supplied in replacement of the 9 machines claimed. The Supreme Allied Commander cannot adjudicate contentious claims. The matter must be settled diplomatically.

2. Machines and tools by Trifletti.

Yugoslavia informed on 19 August 1946 ALCOM letter 9009/205/EC that:

- a) the firm Trifletti did not remove the machineries concerned, but bought them from the High Commissioner of Lubiana;
- b) the specification of the machines bought by the a/m do not correspond with the specifications of the machines mentioned in the list submitted by the Yugoslav Delegation;
- c) the machines with other tools, however, were left on the road of Gruden and were not to be found there after the war because removed by party of parties unknown.

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4. Property looted by Italian Brigata dei Carabinieri Albanesi Lorenzo.

Yugoslavia informed on 2 August by ALCOM letter 9009/195/EC that the charges are denied. The Supreme Allied Commander has not the machinery to investigate and adjudicate on contended matters. If the matter is to be pursued it must be taken up diplomatically.

5. The Yugoslav Insurance Company "Yugoslavlar"

These claims were first made after the original submission by Sir Noel Charles on 15 May. The Supreme Allied Commander does not consider that these items should have been included in the later list as a matter on which Yugoslavia had been unable to obtain redress seeing that the Italian Government had not even then received the claims. The claims have been

6. Stamps and post cards of 12 million Yugoslav pre-war Dinars.

communicated

- 14 -

Serial No.	SUBJECT	ACTION TAKEN
		communicated to the Italian Government but no reply has yet been received. ALCOM is actively pursuing the matter. The Supreme Allied Commander is not at present prepared to take any action.
7.	Material for construction Yugoslav Railway CRKMELY- VRBOVSKO.	Yugoslavia was informed on 16 September by ALCOM letter 9002/242/IV that the property claimed was not removed by the Italians. The Supreme Allied Commander has not the machinery to investigate and adjudicate. Disputed claims end is not prepared to take further action. If the matter is to be pursued it must be taken up through diplomatic channels.
8.	Yugoslav Ban Drzavana Hipotekarn Banka Bonds and Papers.	These claims were all first made after the original submission by Sir Noel Charles. For the same reasons as mentioned against items 5 and 6, the Supreme Allied Commander is not prepared to take any action at present. ALCOM is watching progress.
9.	Machine "Grosswacht" SPLIT.	
11.	Archives of Sibenik, Trogir, etc.	
12.	Objects plundered Gallery of Arts, SPLIT.	
13.	2 Paintings from Church of LAGOV.	
14.	Many collections and objects from Museum in Zara.	
15.	Picture of Interior Court DUBROVNIK.	
16.	Ancient Columns from Museum in SPLIT.	
17.	Classical Sculpture in marble CETINE.	
18.	Lighthouse Equipment.	Yugoslavia was informed on 22 August by ALCOM letter NSC/5386 that the Italian Government had made enquiries but had failed to find any information

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7. Material for construction Yugoslavia was informed on 16 September by ALCOM letter 9009/242/77 that the property claimed was not removed by the Italians. The Supreme Allied Commander has not the machinery to investigate and adjudicate disputed claims and is not prepared to take further action. If the matter is to be pursued it must be taken up through diplomatic channels.

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- 8. Yugoslav Ban Drzavara
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- 15. Picture of Interior Court
DUBROVNIK.
- 16. Ancient Columns from
Museum in SPLIT.
- 17. Classical Sculpture in
marble CETINJE.

18. Lighthouse Equipment.
Yugoslavia was informed on 22 August by ALCOM letter MSC/5388 that the Italian Government had made enquiries but had failed to find any information of the equipment. If the matter is to be pursued it must be taken up through diplomatic channels.

MINUTES OF THE 61ST MEETING
OF THE ADVISORY COUNCIL FOR ITALY

The meeting was held at Palazzo Varrese, on January 17, 1947 under the chairmanship of H. Georges Buisson, the French Representative on the Council. Present at the meeting were:

- M. Georges Buisson France
- M. Pierre Sebillotte
- M. Konstantin Vafikiotzy Greece
- M. Alexander C. Argyropoulos
- Mr. John G. Ward United Kingdom
- Mr. H.A.A. Hensley United States
- Mr. John L. Goshie Yugoslavia
- Dr. Sloven J. Smilaka
- M. Cedomil Veljačić

The agenda for the meeting included the following items:

- 1.) Discussion of Italian Political Events.
(The Chief Commissioner of the Allied Commission will be invited to attend).
- 2.) Statement of the Soviet Union Representative regarding Discontinuance of Provision of Funds by the Combined Chiefs of Staff to the Soviet Delegation and Reimbursement for past Advances'.
- 3.) Restitution by the Italian Government of Yugoslav Property taken by Italian Fascist Authorities, included the Yugoslav Sunken Ships, which should be salvaged and repaired at the Expenses of the Italian Government'.
- 4.) Extradition to the Yugoslav Government of Italian War Criminals listed by the United Nations War Crimes Commission on Request of Yugoslavia'.
- 5.) Hand over to the Yugoslav Government of Yugoslav Treasures Actually in Italy".
- 6.) Miscellaneous.
- 7.) Press Communique.

2031

The Chairman informed the Council that Mr. Goshie had an important announcement to make.

Mr. Goshie reported, in his capacity of Chief of the Secretariat of the Council, that he had been requested by Colonel Savko,

- Mr. Georges Baley France
- Mr. Pierre Sebilleau
- Mr. Constantin Vasilakoy Greece
- Mr. Alexandre C. Argyropoulos
- Mr. John C. Ward United Kingdom
- Mr. H. A. A. Hankey United States
- Mr. Jehu L. Goshie
- Dr. Sirovon J. Smolaka Yugoslavia
- Mr. Cedemil Veljadic

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- 6.) Miscellaneous.
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2031

The Chairman informed the Council that Mr. Goshie had an important announcement to make.

Mr. Goshie reported, in his capacity of Chief of the Secretariat of the Council, that he had been requested by Colonel Savko, the Soviet Union Representative, to inform the Council that in view of the Soviet Government's agreement to the discontinuance of the Allied Commission, the Soviet Government had decided to withdraw immediately from the Advisory Council for Italy and that therefore the Soviet Union Representative would not attend today's meeting of the Advisory Council for Italy.

The



The Chairman stated that the action taken by the Soviet Union Representative raised a juridical question as to whether the Council could continue the meeting without a plenary session.

Dr. Guodlaka stated that he was without instructions on this particular point but that he believed that the Council could continue the present session until further action was taken.

The Chairman expressed his personal point of view that the Advisory Council for Italy forms a body and that it is difficult for that body to act without the presence of all its members.

Mr. Ward stated that he felt that the Council could hold a meeting today.

Mr. Goshie stated that, as far as he knew the Moscow Terms of Reference did not provide for a contingency of this sort and, in the absence of instructions to the contrary, he thought the Council might hold today's meeting, provided the Council refrained from taking any positive action.

The Chairman stated that he felt the Council could carry on today and suggested that each Representative request the views of his Government as to whether the Council may or may not carry on without Soviet Union participation and communicate the reply to the Secretariat for transmission to all other Delegations.

The Chairman then opened the meeting and thanked Admiral Stone for attending it. He inquired whether any of the Representatives wished to ask any questions in connection with Italian political events.

1. Discussion of Italian Political Events

M. Vatiklotty inquired whether Admiral Stone could confirm a press report according to which Italy would not be asked to repay to the United States the relief funds granted to her prior to the establishment of UNRRA in Italy. He inquired also as to the approximate amount of the above mentioned relief funds.

Admiral Stone replied that the Allied Commission had not been advised on this subject, that the supplies brought in during the period of Anglo-American military responsibility were brought in jointly and that he was not able to provide data indicating specific sources. He stated that he believed the sum would be materially larger than 200 million dollars.

Mr. Ward stated that he had not seen any official statement on the matter.

M. Vatiklotty inquired about two ships which, he understood, were to be handed over to the Italians by the Americans, Conte Grando and Conte Biancamano.

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M. Vatikioty inquired about two ships which, he understood, were to be handed over to the Italians by the Americans, Conte Grande and Conte Biancamano.

Admiral Stone stated that he was not in a position to answer this question since it was a matter of communications between the Italian and American Governments, which communications went directly from one Government to the other Government and not through the Allied Commission.

Admiral

Admiral Stone informed the Council that the Allied Commission had been notified by SACRED that the Commission would be terminated within three weeks from receipt of notification, that is, at midnight, January 31, 1947. He added that this meeting would therefore be the last he could attend. Admiral Stone stated that certain functions formerly performed by the Allied Commission would now be performed by AFHQ.

Dr. Smodlaka inquired about the functions to be performed by AFHQ after January 31, 1947.

Admiral Stone replied that such functions would include the direction of Italian armed forces. He explained that SACRED would probably establish in Rome a special section with functions other than military, including supervision of displaced persons.

Dr. Smodlaka inquired as to how long such an institution would last.

Admiral Stone replied that it was his personal opinion that it would last until VJ Day. Admiral Stone reported that he had instructions to discontinue the weekly bulletins published by the Allied Commission and that, accordingly, these would no longer be available for distribution to the Council.

The Chairman declared that this was agreeable to the Council. He inquired whether any of the Representatives wished to ask questions relating to Italian political events and after ascertaining that none did, he thanked Admiral Stone for his explanations.

2. "Statement of the Soviet Union Representative regarding Discontinuance of Provision of Funds by the Combined Chiefs of Staff to the Soviet Delegation and Reimbursement for past Advances".

The Chairman asked whether any of the Representatives wished to make comments.

Mr. Ward stated that since this item had been presented by the Soviet Union Representative he felt it should be deleted from the agenda in view of the withdrawal from the Council of the Russian Representative.

Mr. Goshie expressed support of this suggestion.

Dr. Smodlaka requested that the item be retained on the agenda.

Mr. Ward agreed to this provided that Dr. Smodlaka adopted the item.

Dr. Smodlaka stated that he was prepared to do so.

The Chairman ascertained that there were no objections to retaining the item on the agenda.

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Dr. Smolaka inquired about the functions to be performed by ACHs after January 31, 1947.

Admiral Stone replied that such functions would include the direction of Italian armed forces. He explained that SACRED would probably establish in Rome a special section with functions other than military, including supervision of displaced persons.

Dr. Smolaka inquired as to how long such an institution would last.

Admiral Stone replied that it was his personal opinion that it would last until "V" Day. Admiral Stone reported that he had instructions to discontinue the weekly bulletins published by the Allied Commission and that, accordingly, these would no longer be available for distribution to the Council.

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Mr. Goshie expressed support of this suggestion.

Dr. Smolaka requested that the item be retained on the agenda.

Mr. Ward agreed to this provided that Dr. Smolaka adopted the item.

Dr. Smolaka stated that he was prepared to do so.

The Chairman ascertained that there were no objections to retaining the item on the agenda.

3. "Substitution by the Italian Government of Yugoslav Property taken by Italian Fascist Authorities, included the Yugoslav Sunken Ships which should be salvaged and repaired at the Expenses of the Italian Government".

Dr. Smolaka referred to SACRED's reply G-5: 912.23-1 of December 23, 1946 (see Appendix #1) and stated:

- 1. I am studying the reply of SACED of December 23, 1946.
- 2. I was informed in the meantime that the Yugoslav S/S 'Juraj Subic', sunk at Cirivavecchia, was seriously damaged in November 1946, particularly that the plates on the back part of the ship and the rivets were loosed. The back of the ship was filled with stones (about 50-60 tons) thrown there at the occasion of cleaning the shore. S/S 'Juraj Subic' was also seriously damaged by blowing up of an Italian vessel sunk in her vicinity.
 I protest herewith against such proceeding through which Yugoslav ships seized by the Fascists and sunk, instead of being salvaged, continue to be destroyed. It is considered that the Italian authorities are responsible for it and as small reserve the right to demand the indemnity.
 I request that the Allied authorities take urgently necessary steps in order to prevent that Yugoslav sunken ships be further destroyed before being salvaged and repaired.
- 3. I request that the item remain on the agenda for the next meeting.

The Chairman stated that, in view of the withdrawal from the Council of the Soviet Union Representative, he felt that the Council could not act on the Yugoslav proposal.

Dr. Smodlaka requested that the item be referred to SACED.

The Chairman pointed out that the Allied Commission was about to be discontinued.

Mr. Ward agreed with the Chairman that Dr. Smodlaka's suggestion was not practicable in view of the imminent discontinuance of the Allied Commission.

Dr. Smodlaka stated that it was his duty to protest against the damage done to Yugoslav ships and to inform the Advisory Council of his desire that the ships be salvaged.

The Chairman stated that the Council understood the Yugoslav Representative and desired to help him but was without practical means to do so.

Dr. Smodlaka requested that the item be retained on the agenda.

The Chairman ascertained that all members of the Council were agreeable to this proposal.

- 4. Extradition to the Yugoslav Government of Italian War Criminals listed by the United Nations War Crimes Commission on Request of Yugoslavia.

The Chairman stated that until the question of the status of the Council had been decided, the Council was without practical means of extending any assistance to the Yugoslav Delegation in this matter.

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The Chairman stated that until the question of the status of the Council had been decided, the Council was without practical means of extending any assistance to the Yugoslav Delegation in this matter.

Dr. Smodlaka inquired which was the competent Allied authority pending the establishment of the Council of Ambassadors.

Mr. Ward stated that according to his understanding the primary function of the Council of Ambassadors would be that of a court of appeals to which the Governments would apply if they failed to obtain satisfaction from the Italian Government under the terms of the peace treaty.

Dr.

Dr. Smodlaka requested that the item be retained on the agenda.

The Chairman ascertained that the Council was agreeable to this proposal.

5. "Hand over to the Yugoslav Government of Yugoslav Traitors actually in Italy".

The Chairman called on Dr. Smodlaka who made the following statement:

"1. On the Italian territory there is a great number of Yugoslav traitors and collaborators who have committed a lot of crimes against their own people.

In order to make clear what kind of criminals we mean, I may quote as examples only a few names of those traitors:

A. PAVELIC ANTE, Chief of the Quisling State of Croatia. He is responsible for murdering of 800,000 Serbs in Croatia, for having detained in concentration camps an almost equal number of Croats and for mass extermination of Jews and Gypsies. He is responsible for military and economic assistance given to the Axis Forces from 1941 until the end of the war.

B. PECNIKAR VILKO, Ustashi General, Commander of the Ustashi Units of the Quisling State of Croatia. Under his command slaying in masses of Serbs and arson of whole villages in Croatia was performed. Under directives of Pavelic and the Germans he was executing "cleanings" of the Partisan territory, which action consisted in murdering peaceful inhabitants, burning villages and looting property of the slain people. Now he is living in Rome.

C. REBOK Dr. JURAJ. In 1941, he was Prefect of the Glina District. Under his command the Ustashi performed the well known mass murder of Serbs in the Orthodox Church at Glina, on 29 July 1941, where 700 persons were slain and tortured in a bestial way. He is responsible for the slaughter of more than 3000 persons in the Glina District, among whom there were a great deal of old people, little children and women. There were instances where the Ustashi cut abdomens of pregnant women, took out the foetus, cut the children in pieces, forced women to eat the children and finally murdered the women in a bestial way. Dr. Rebok is at present living in Rome. He is Committee-member of the Great Ustasha Emigre Society the "Fraternity of St. Hieronimus" ("Bratovstina Sv. Jerolima"), Via Tomacelli 132, with whom the "Displaced Persons Division" is keeping contact.

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D. DJUCIC MOMCILO, an orthodox priest, Chetnik "Vojvoda" (Military Commander), a well known collaborator from the Knin District. Already in November 1943 the Allied Commander of the Middle East Forces, General Wilson, said of him that he was an ill famed collaborator. This statement was later broadcasted by all Allied Radio stations. Djucic is responsible for murdering of more than 1000 persons from more than 70 villages for immense

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E. GRUJICIC RADAN, Commissar of the Special Police for the town of Beograd. During the occupation, under his rule more than 10,000 people were arrested, sent to forcible labour to Germany and mostly to the Concentration Camps Banjica and Sajmiste in Beograd and to

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the Institution for forcible education of youth in Smederevska Palanka. Under his directives and action more than 10,000 people have been slain and an almost equal number of people died from hunger, being under-nourished, tortured and sick in the camps. He used to perform torturing and beating of the arrested persons personally in order to get out of them information about the organization and the work of the Patriots. He used to strip gold teeth from dead bodies of his victims and it is well known that he made some gold cubes out of this material and brought the cubes to Italy and is still in possession of two of these cubes. He is living at present in Eboli.

F. DAMJANOVIC Mirodrag, ex-Yugoslav General. During the war he was a German P.O.W. and in 1945 he organized the signing of a petition to Hitler by the Yugoslav Royal Army Senior Officers & Leaders of War, where virtually the greatness of the Third Reich was glorified and the Yugoslav Senior Officers POW declared that they wished to put themselves under Hitler's orders, requesting to be sent into Nedie' Serbia in order to fight against the National Liberation Army. In connection with this petition Damjanovic was released from the Prisoners of War and transferred to Beograd where, on recommendation of the Germans, he was appointed Chief of Cabinet in the Quisling Serbian Government of General Milan Medic. In this capacity he worked for the interests of the German warfare enforcing requisition of agricultural products in villages for supplies of the German Army, export of various products and materials to Germany and persecution of Patriots who resisted the Occupant authorities everywhere. In 1945, following an agreement with Milan Medic and Draga Mihajlovic he was transferred to the Chetnik Headquarters. There he organized and directed fighting of Chetniks and Germans on the Drina front, after which he was sent to Istria, where he united the forces Ljotic' and Djunic' Chetniks, Ustashi 'Domobrans' etc. helping thus the German warfare to resist the longest possible. Finally, in May 1945, before the very capitulation of Germany, Damjanovic displayed his forces on the front near Rijeka (Fiume) and Soca (Isonzo) and thus defended the retreat of the German Forces from Italy in Austria. A special chapter of his history would consist of telling about the killing, arresting and arson made by his soldiers under his command.

G. NOVAK KARLO, ex-Yugoslav General-Staff Major. After the Italian occupation of Slovenia, he organized the so-called "Blue Guard" ("Plava Garda") and was the chief commissioner of Draga Mihajlovic for Slovenia. From 1941-1943 he permanently was the Commander in Chief of these formations and fought together with the Italian Fascist Occupant Forces against the National Resistance Movement (the National Liberation Army). Under his command, a great many people were arrested and handed over to the Italians who tortured them and detained them in Concentration Camps, particularly in the Camp of Gonars. His most dangerous collaborationism consisted in organizing the intelligence service for the Italian Occupants. Information about persons to be arrested, interned, etc. and dates when to perform such acts were received and transmitted to the Italian Fascists.

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2. The Yugoslav Government requested individually the surrender of Yugoslav traitors at present in Italy from the British Foreign Office and from the State Department. The Governments of the United Kingdom and of the United States agreed on handing over of a considerable number of these traitors and gave instructions to APHQ to surrender the traitors to the Yugoslav Government. But the Allied Military authorities in Italy have handed over to the Yugoslav Government only a few of these traitors.

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All soliciting of the Yugoslav Government through London and Washington, and of this Delegation to the Allied Authorities in Italy remained without result. It was replied to us that a great number of traitors have not been handed over to the Yugoslav Government because it was impossible to find them. The Allied Authorities refused however to give permission to a Yugoslav Mission to come here in order to collaborate with the Allied Military Authorities in finding Quislings whom it has hitherto been impossible to trace. Besides that, the Allied authorities did not accept three proposals of our Delegation offering collaboration in these matters (in January, August and December 1946).

The non-accomplishment of the surrender of these traitors and the above mentioned refusals to collaborate with the Yugoslav authorities in Italy in matters of extradition of war criminals shows that the Allied Military Authorities in Italy do not wish to comply with the decisions about the extradition of traitors as communicated by the Governments of the United Kingdom and the United States to the Yugoslav Government.

3. In the meantime, the right to arrest traitors passed in a considerable measure to the Italian Government. The British Foreign Office in their note No. R.10635/59/92, dated July 26, 1946, informed the Yugoslav Ambassador that 'apart from those persons at present living in displaced persons camps, the remaining Yugoslavs in Italy are now within the jurisdiction of the Italian Government, and any person who is not in one of these camps can only be arrested and handed over to the Yugoslav Government by the Italian authorities'. The same thing was communicated to us by the Allied Commission in their letter no. 4/29.8/CA of 16 September 1946, stating that 'the power to arrest in Italy, except in AMG territory, lies with the Italian Government'.

But the Italian Government is not authorized to apprehend and surrender Yugoslav traitors, it is also its duty to do so as soon as the Yugoslav Government has requested from the Allies the apprehension and surrender of the said traitors. On basis of Art. 29 of the Armistice Terms 'all persons suspected of having committed war crimes or analogous offences, who are in Italy, will forthwith be apprehended and surrendered'. This also fully corresponds to Art. 38 of the Draft Peace Treaty according to which Yugoslav traitors have to be apprehended and surrendered. It is the duty of SACIED to take care that Italy should comply with the Armistice Terms in as much as the power of arresting in Italy has been given to the Italian Government. He knows that the Yugoslav Government demanded that Yugoslav traitors be arrested and it is his duty to take necessary steps, if necessary even through the Italian Government, to have the traitors apprehended and surrendered to the Yugoslav Government.

Since neither the Italians are surrendering to us Yugoslav traitors, this shows that SACIED did not make arrangements at all with the Italian Government for apprehension and surrendering of Yugoslav traitors by the Italians.

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4. Though, not only that the Allied and the Italian authorities have not arrested the Yugoslav traitors, but they allowed by lack of a vigilant control that many Yugoslav traitors and well known war criminals left Italy and sailed to South America on December 29, 1946 from Genoa, and on December 31, 1946 from Naples, aboard the Italian S/S 'Andrea Gratti', among more than 100 Yugoslav émigrés. Among others there were, for example: the Ustashi Minister Dr. Vjekoslav VRANIC, one of the closest collaborators of the Croat Quisling Pavelic, the Ustashi Minister Dr. Stjepan HEFER,

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the Ustashi Minister Dr. Ante MIKIC, the Ustashi General Matija CANIC, a GALIC illfamed Ustashi slayer from the "Labourer" Battalion, Ivan PULIC from the "Handzar" Division, MODARON Dragutin, assistant of the Serbian Fascist leader Ljotic, a well known collaborator of the Germans since 1941, a high Ustashi official KOSIC and many others. The expenses for the journey of the greatest part of the Jugoslavs who thus left for South America, were paid by the "Inter-governmental Committee on Refugees", whereas the entry visa to South America was procured to most of them by the Vatican "Assisueza Pontificia". This case shows that these two institutions enable Jugoslav traitors, collaborators and war criminals, who should be apprehended and surrendered to the Jugoslav authorities, to leave Italy and to go to the overseas countries where their apprehension will be even more difficult.

The Jugoslav Delegation protest herewith

- (A) against the proceeding of the responsible Allied and Italian authorities who allowed that on 29 and 31 December 1946, the above mentioned Jugoslav traitors and war criminals left Italy instead of being apprehended and surrendered to the Jugoslav authorities;
 - (B) against the non-accomplishment of the Amnistie Terms towards Jugoslavia because Jugoslav traitors are not being apprehended and surrendered to the Jugoslav authorities.
5. Such proceeding of the Allied and Italian authorities in Italy is also in contradiction with the recent Resolution of the Meeting of the United Nations Organization, stating the insuccess of the work done up to date in finding out and surrendering of war criminals, and inviting the member-States to give their assistance in dealing with this problem.
6. With reference to the foregoing I propose that the Advisory Council may advise SACIED to take urgently the necessary steps in order that Jugoslav traitors actually in Italy be apprehended and surrendered to the Jugoslav Government and that any further escaping of Jugoslav traitors from Italy be made impossible, especially their emigrating in overseas countries. SACIED may make arrangements for this purpose also with the Italian Government.

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The Chairman pointed out that the Jugoslav Representative requests the intervention of the Council with SACIED.

Mr. Ward stated that, for reasons explained during the discussion of previous items on the agenda, the Advisory Council could not take any action, but that he saw no objections to the statement being forwarded to SACIED.

Mr. Goshie stated that he too saw no objections to forwarding the Jugoslav statement to SACIED for information only, under cover of a transmitting letter explaining the present status of the Council, which has arisen as a result of the withdrawal from the Council of the Soviet Union Representative.

Mr. Ward suggested that the Jugoslav statement be transmitted

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The Yugoslav Delegation protest herewith

- (A) against the proceeding of the responsible Allied and Italian authorities who allowed that on 23 and 31 December 1946, the above mentioned Yugoslav traitors and war criminals left Italy instead of being apprehended and surrendered to the Yugoslav authorities;
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Mr. Ward suggested that the Yugoslav statement be transmitted under cover of a personal letter from the Chairman to SACEED.

Dr. Smoljaka agreed but requested that the Chairman, in his letter, ask SACEED for a report on the matter.

Mr. Goshie stated that he felt that, until such time as the views of the five other Governments were ascertained as to whether they

they wished the Council to continue, it would be inappropriate for the Council to request such a report.

Mr. Ward expressed concurrence with Mr. Goshie's views.

Dr. Smodlaka requested that it may be pointed out in the covering letter that it was proposed by the Yugoslav Representative to request a report on this item from SAKIED.

The Chairman ascertained that the Council was agreeable to transmitting to SAKIED the Yugoslav statement under cover of a personal letter from him, in which he will outline the present status of the Council and indicate the views of the individual Representatives on this subject.

The Chairman further ascertained that the Council was agreeable to retaining the item on the agenda.

6. Miscellaneous

The Council had no miscellaneous business to discuss.

7. Press Communiqué

The Council agreed to release the following press communiqué:

"The 61st meeting of the Advisory Council for Italy was held on January 17, 1947 under the chairmanship of the French Representative a.i., M. Georges Balay. Other members of the Council present were:

- M. Constantin Vatikiotty Greece
- Mr. John G. Ward United Kingdom
- Mr. John L. Goshie United States
- Dr. Sloven J. Smodlaka Yugoslavia

Various questions were discussed.

Rear Admiral Ellery W. Stone, Chief Commissioner of the Allied Commission, attended the meeting. 2023

DATE OF NEXT MEETING

The Council agreed to withhold from fixing the date of the next meeting pending receipt of instructions from the respective Governments.

a report on this item from [unclear]

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Appendix #1:

Letter from Allied Force Headquarters, dated Dec. 23, 1946, signed by Chief of Staff, Major General T.A. Airey.

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APPENDIX #1
TO MINUTES OF 51st MEETING OF THE ADVISORY COUNCIL FOR ITALY

ALLIED FORCE HEADQUARTERS
Office of the Chief of Staff

December 23, 1946

C-5 : 912.23-1

SUBJECT: Restitution of Yugoslav Property.

TO : Chairman in Exaltation,
Advisory Council for Italy,
ROME.

1. I have the honour to refer to the letter from M. Georges Belay of the 5th August and this Headquarters reply of 25th October, in which the hope was expressed that it would be possible to supply you with the information you desired at a later date. I now forward the promised report.

2. With regard to List A, you will note that, before Jugoslavia brought the matter before the Advisory Council, she had been informed that so far as the first eleven items were concerned, she had no case. Items 12 to 17 have either been handed back to or are awaiting take over by Jugoslavia. Items 18 to 23 cannot be traced. Of the 100 small vessels in items 24 and 25 - 77 cannot be traced, many of these small motor launches may have been repainted and renamed. Further action is not possible without fuller and better evidence of identity and present location. Of the remaining 23 vessels, 12 were last heard of in Yugoslav ports, 6 are stated to be in Allied and not Italian hands but have not been identified by the Allies, 2 are stated to have been destroyed and 3 have been traced.

3. With regard to List B, you will note that of the 18 items only four had been presented to the Italian Government prior to Sir Noel Charles' letter of the 15th May. The Yugoslav Government has received reports from the Allied Commission about the first four items. The Supreme Allied Commander does not consider that the remaining 14 items should have been presented to him as matters on which the Yugoslav Government had been unable to obtain redress until all proper efforts to obtain satisfaction had been made and had failed. The Allied Commission is in contact with the Italian Government on these items and will keep the Yugoslav Delegate informed. The Supreme Allied Commander does not propose to take any further action as regards Lists A and B until he learns the results of the contacts of the Allied Commission.

4. Will you please also note that the Supreme Allied Commander has not the means to conduct investigations into disputed matters nor is he prepared to adjudicate on such. Where the case is clear, the Supreme Allied Commander, if satisfied that he should do so, is prepared to act; but, contentious matter must be settled through diplomatic channels.

2022

0756

SUBJECT: Restitution of Yugoslav Property.
TO : Chairman in Retention,
Advisory Council for Italy,
ROME.

1. I have the honour to refer to the letter from M. Georges Balaý of the 5th August and this Headquarters reply of 55th October, in which the hope was expressed that it would be possible to supply you with the information you desired at a later date. I now forward the promised report.

2. With regard to List A, you will note that, before Yugoslavia brought the matter before the Advisory Council, she had been informed that so far as the first eleven items were concerned, she had no case. Items 12 to 17 have either been handed back to or are awaiting take over by Yugoslavia. Items 18 to 23 cannot be traced. Of the 100 small vessels in items 24 and 25 - 77 cannot be traced, many of these small motor launches may have been repainted and renamed. Further action is not possible without fuller and better evidence of identity and present location. Of the remaining 23 vessels, 12 were last heard of in Yugoslav ports, 6 are stated to be in Allied and not Italian hands but have not been identified by the Allies, 2 are stated to have been destroyed and 3 have been traced.

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4. Will you please also note that the Supreme Allied Commander has not the means to conduct investigations into disputed matters nor is he prepared to adjudicate on such. Where the case is clear, the Supreme Allied Commander, if satisfied that he should do so, is prepared to act; but, contentious matter must be settled through diplomatic channels.

FOR THE SUPPLEMENTARY ALLIED COMMANDER, MEDITERRANEAN THEATRE:

T.A. AILEY
Major General
Chief of Staff

2022

LIST "A"

SHIPS CLAIMED BY YUGOSLAVIA

1. SUNKEN SHIPS

Serial No.	NAME OF SHIP	ACTION TAKEN
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1. S/S JURAJ SUBIC
Yugoslavia informed on 3 April by ALCCM letter NSC/4874 that the cost of salvage of liberated ships falls in the category of restitution. The Supreme Allied Commander is not prepared to make any representation hereon. Any claim must be taken up diplomatically.
2. S/S YUGOSLAVIA
3. Yacht TINA
4. S/S SOGA
5. S/S SARAJEVO
6. S/S TOPIOLA
7. S/S BUKROVNIK
8. S/S DRAVLA
9. S/S VINA
10. Schooner AIDA
11. M/V USPOPELA (Ricorde)
- 11.bis S/S BISTRICA (TEODC)

2. OTHER SHIPS

12. S/S UCU (Monte Maggiore)
This vessel was found in Civitavecchia sunk and heavily damaged. She is considered to be beyond economic repair. As a "constructive" wreck the comment on items 1/11 applies to her also

13. M/S SUMMIR 2021

The Yugoslav Delegation to the Advisory Council for Italy was informed by NSC/5731 of 4 December and NSC/5740 of 6 December that the vessel was available for handing back to representatives of the Yugoslav Government. The Italian Ministry of Marine was similarly informed and both authorities have been requested to inform the Navy Sub-Commission when the restitution has taken place.

14. M/V VILA (NINEA)

The Yugoslav Delegation to the Advisory Council for Italy was informed by NSC/5718 of 30 November 1946 that

Yugoslavia informed on 9 April by AICCM letter NSC/4574 that the cost of salvage of liberated ships falls in the category of restitution. The Supreme Allied Commander is not prepared to make any representation hereon. Any claim must be taken up diplomatically.

- 1. S/S JURAJ SUBIC
- 2. S/S YUGOSLAVIA
- 3. Yacht IVHA
- 4. S/S SOCK
- 5. S/S SARAJEVO
- 6. S/S TEROLA
- 7. S/S JUBROVNIK
- 8. S/S DRAVIA
- 9. S/S UGA
- 10. Schooner AIDA
- 11. M/V USPOPEMA (Ricordo)
- 11.bis S/S HISTERICA (TEODO)

2. OTHER SHIPS

- 12. S/S UCIA (Monte Maggiore)

This vessel was found in Civitavecchia sunk and heavily damaged. She is considered to be beyond economic repair. As a "constructive" wreck the comment on items 1/11 applies to her also

- 13. M/S SUMIR

The Yugoslav Delegation to the Advisory Council for Italy was informed by NSC/5731 of 4 December and NSC/5740 of 6 December that the vessel was available for handing back to representatives of the Yugoslav Government. The Italian Ministry of Marine was similarly informed and both authorities have been requested to inform the Navy Sub-Commission when the restitution has taken place.

- 14. I/V VILA (NEIFA)

The Yugoslav Delegation to the Advisory Council for Italy was informed by NSC/5718 of 30 November 1946 that this vessel was available for handing back to representatives of the Yugoslav Government. The Italian Ministry of Marine was similarly informed and both authorities have been requested to inform the Navy Sub-Commission when the restitution has taken place.

15. Trawler Br. 2 (ARBE) Handed over to Yugoslavia at Trieste on 8 January 1946.

16. Trawler Br. 4 (JUNO) The Yugoslav Delegation to the Advisory Council for Italy was informed by MSC/5617 of 8 November and by MSC/5816 of 8 November that the Trawler (dredge) No. 4 (JUNO) and the tugboat BOJANA (ZARA) are available for handing back to representatives of the Yugoslav Government. The Italian Ministry of Marine informed the Navy Sub-Commission on 7 December that the two craft have been taken over by the Yugoslav authorities.

18. Tugboat J.P. 1 Not traceable

19. S/S ZERANJA (ISTC) Not traceable

20. M/V ISTOK II Not traceable

21. M/V VILA Presumed to be the same as item 14.

22. M/V MIRANAR Not traceable

23. M/V MARJAN Not traceable

24. 2 Custom Patrol Boats nos 32 and 36 The Yugoslav Delegation to the Advisory Council for Italy was informed by MSC/5718 of 30 November 1946 that IB-32 vessel was available for handing back to representatives of the Yugoslav Government. The Italian Ministry of Marine was similarly informed and both authorities have been requested to inform the Navy Sub-Commission when the restitution has taken place. MS 38 was last heard of in Spalato in Yugoslavia. No further information is available regarding her.

2020

25. Yugoslav Custom. This is a list of 98 small motor vessels, launches, etc. Many may have been repainted and renamed. There is little information which would lead to positive identification. Yugoslavia informed on 3 October by ALCOM letter MSC/5513 that 11 of the vessels were last heard of in Yugoslavia ports. 5 were stated to have gone to Malta and efforts are being made to trace them now that more complete descriptions have been supplied by the Yugoslav Government.

slav Government. The Italian Ministry of Marine informed the Navy Sub-Commission on 7 December that the two or three have been taken over by the Yugoslav authorities.

- 16. Turbobot J.D. 1 Not traceable
- 19. S/S ZEMANJA (ISPC) Not traceable
- 20. M/V ISTOK II Not traceable
- 21. M/V VILA Presumed to be the same as item 14.
- 22. M/V NIEANAR Not traceable
- 23. M/V MARJAN Not traceable

24. 2 Custom Patrol Boats nos 32 and 33

The Yugoslav Delegation to the Advisory Council for Italy was informed by MSC/5718 of 30 November 1946 that ILE-32 vessel was available for handing back to representatives of the Yugoslav Government. The Italian Ministry of Marine was similarly informed and both authorities have been requested to inform the Navy Sub-Commission when the restitution has taken place. MB 38 was last heard of in Spalato in Yugoslavia. No further information is available regarding her.

2020

25. Yugoslav Customs.

This is a list of 98 small motor vessels, launches, etc. Many may have been repainted and renamed. There is little information which would lead to positive identification. Yugoslavia informed on 3 October by ALCOM letter NSC/5513 that 11 of the vessels were last heard of in Yugoslavia ports. 5 were stated to have gone to Malta and efforts are being made to trace them now that more complete descriptions have been supplied by the Yugoslav Government.

- 2 had been destroyed by enemy action.
- 2 were stated to be under repair at Bari.
- 1 was stated to be in Allied hands but is not identified.

The remainder have not been traced. The Supreme Allied Commander is unable to take further action without fuller and better evidence of identity and present location.

LIST 'B'

PROPERTY OTHER THAN SHIPS, CLAIMED BY YUGOSLAVS

Serial No.	SUBJECT	ACTION TAKEN
1.	9 Machines from Tobacco.	Yugoslavia informed on 9 February by ALCOM letter AC/5622/TMO that Italy had left a large number of machines at tobacco factories in Fiume, Pola, Rovigo and Zara, and that 18 of these machines had been supplied in replacement of the 9 machines claimed. The Supreme Allied Commander cannot adjudicate contentious claims. The matter must be settled diplomatically.
2.	Machines and tools by Trifletti.	Yugoslavia informed on 19 August 1946 ALCOM letter 9009/206/EC that: a) the firm Trifletti did not remove the machineries concerned, but bought them from the High Commissioner of Lubiana; b) the specification of the machines bought by the a/m do not correspond with the specifications of the machines mentioned in the list submitted by the Yugoslav Delegation;
3.	13 Rail Wagons of Yugoslav Railway.	Yugoslavia informed on 5 June by ALCOM letter AC/333/TN 4 that this case should be cleared through the machinery of ECITA. The Supreme Allied Commander concurs.
4.	Property looted by Italian Brigata dei Carabinieri Albanesi Lorenzo.	Yugoslavia informed on 2 August by ALCOM letter 9009/195/EC that the charges are denied. The Supreme Allied Commander has not the machinery to investigate and adjudicate on contended matters. If the matter is to be pursued it must be taken up diplomatically.
5.	The Yugoslav Insurance Company "Yugoslavia"	These claims were first made after the original submission by Sir Noel Courles

had left a large number of machines at tobacco factories in Fiume, Pola, Rovigo and Zara, and that 18 of these machines had been surreptitiously re-located of the 9 machines claimed. The Supreme Allied Commander cannot adjudicate contentious claims. The matter must be settled diplomatically.

2. Machines and tools by Trifiletti.

Yugoslavia informed on 19 August 1946 ALCOM letter 9009/206/EC that:

- a) the firm Trifiletti did not remove the machineries concerned, but bought them from the High Commissioner of Lubiana;
- b) the specification of the machines bought by the a/m do not correspond with the specifications of the machines mentioned in the list submitted by the Yugoslav Delegation;
- c) the machines with other tools, however, were left on the road of Gruden and were not to be found there after the war because removed by party or parties unknown.

3. 13 Rail Wagons of Yugoslav Railway.

Yugoslavia informed on 5 June by ALCOM letter AC/333/TN 4 that this case should be cleared through the machinery of ECITO. The Supreme Allied Commander concurs.

4. Property looted by Italian Brigata dei Carabinieri Albanesi Lorenzo.

Yugoslavia informed on 2 August by ALCOM letter 9009/193/EC that the charges are denied. The Supreme Allied Commander has not the machinery to investigate and adjudicate on contended matters. If the matter is to be pursued it must be taken up diplomatically.

5. The Yugoslav Insurance Company "Yugoslavia"

These claims were first made after the original submission by Sir Noel Charles on 15 May. The Supreme Allied Commander does not consider that these items should have been included in the later list as a matter on which Yugoslavia had been unable to obtain redress seeing that the Italian Government had not even then received the claims. The claims have been

6. Stamps and post cards of 12 million Yugoslav pre-war Dinars.

communicated

0763

ACTION TAKEN

Serial No. SUBJECT

communicated to the Italian Government but no reply has yet been received. ALCOM is actively pursuing the matter. The Supreme Allied Commander is not at present prepared to take any action.

7. Material for construction Yugoslavia was informed on 16 September by ALCOM letter 9003/248/EG that the property claimed was not removed by the Italians. The Supreme Allied Commander has not the machinery to investigate and adjudicate disputed claims and is not prepared to take further action. If the matter is to be pursued it must be taken up through diplomatic channels.

8. Yugoslav Ban Drzavana Hipotekarni Banka Bonds and Papers.
9. Machine "Grosswacht" SPLIT.
11. Archives of Sibenik, Trogir, etc.
12. Objects plundered Gallery of Arts, SPLIT.
13. 2 Paintings from Church of LATOV.
14. Many collections and objects from Museum in Zara.
15. Picture of Interior Court DUBROVNIK.
16. Ancient Columns from Museum in SPLIT.
17. Classical Sculpture in marble CETINJE.
18. Lighthouse Equipment.

These claims were all first made after the original submission by Sir Noel Charles. For the same reasons as mentioned against items 5 and 6, the Supreme Allied Commander is not prepared to take any action at present. ALCOM is watching progress.

2018

Yugoslavia was informed on 22 August by ALCOM letter NSC/5388 that the Italian Government had made enquiries but had failed to find any information of the equipment. If the matter is to

7. Material for construction Yugoslavia was informed on 16 September by ALCOM letter 9009/242/EG that the property claimed was not removed by the Italians. The Supreme Allied Commander has not the machinery to investigate and adjudicate disputed claims and is not prepared to take further action. If the matter is to be pursued it must be taken up through diplomatic channels.

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15. Picture of Interior Court DUBROWNIK.

16. Ancient Columns from Museum in SPLIT.

17. Classical Sculpture in marble CETINJE.

18. Lighthouse Equipment.

Yugoslavia was informed on 22 August by ALCOM letter NSC/5368 that the Italian Government had made enquiries but had failed to find any information of the equipment. If the matter is to be pursued it must be taken up through diplomatic channels.

2018

MINUTES OF THE 60TH MEETING
OF THE ADVISORY COUNCIL FOR ITALY

The meeting was held at Via Monti dei Parioli 24, on December 20, 1946 under the chairmanship of Dr. Sloven J. Smolaka, the Yugoslav Representative a.i. on the Council. Present at the meeting were:

- | | |
|--------------------------|----------------|
| Dr. Sloven J. Smolaka | Jugoslavia |
| M. Čedomil Veljačić | |
| M. Georges Dalay | France |
| M. Pierre Sebilleau | |
| M. Constantin Vatikiotty | Greece |
| M. Constantin Himarios | |
| Colonel V.V. Savko | Soviet Union |
| Lt. N... Geegalin | |
| Mr. John G. Ward | United Kingdom |
| Mr. H.A.A. Hankey | |
| Mr. John L. Goshie | United States |

The agenda for the meeting included the following items:

- 1.) Discussion of Italian Political Events.
(The Chief Commissioner of the Allied Commission will be invited to attend).
- 2.) "Statement of the Soviet Union Representative regarding Discontinuance of Provision of Funds by the Combined Chiefs of Staff to the Soviet Delegation and Reimbursement for past Advances".
- 3.) "Restitution by the Italian Government of Yugoslav Property taken by Italian Fascist Authorities, included the Yugoslav Sunken Ships, which should be salvaged and repaired at the Expenses of the Italian Government".
- 4.) "Extradition to the Yugoslav Government of Italian Criminals listed by the United Nations War Crimes Commission on Request of Jugoslavia".
- 5.) Miscellaneous.
6. Press Communique.

The Chairman, Dr. Sloven J. Smolaka, opened the meeting and thanked Admiral Stone for attending it. He then inquired whether any of the Representatives wished to ask any questions relating to Italian political events.

1. Discussion of Italian Political Events.

20/12

20/12

Dr. Steven G. ...

M. Cedouli Veljacić

- M. Georges Dalay France
- M. Pierre Sebilleau
- M. Constantin Vatikietty Greece
- M. Constantin Himarios
- Colonel V.V. Savko Soviet Union
- It. N.A. Geogelin
- Mr. John G. Ward United Kingdom
- Mr. H.A.A. Henkey
- Mr. John L. Goshie United States

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- 5.) Miscellaneous.
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The Chairman, Dr. Steven J. Smolaka, opened the meeting and thanked Admiral Stone for attending it. He then inquired whether any of the Representatives wished to ask any questions relating to Italian political events.

1. Discussion of Italian Political Events.

Colonel Savko asked whether the Admiral had any information on the status of the election of the Mayor of Rome.

Admiral Stone replied that his information was limited to that which was published in the local press.

Dr.

Dr. Smolaka referred to the December 9, 1945 bulletin of the Allied Commission, in which it was stated that, as of November 30, 1945 the number of displaced persons in camps under control of the Allied Commission, totalled 10,828, of which Jugoslavs constituted the largest number. He inquired whether he could obtain a breakdown by nationality of this total, together with an indication of the location and designation of the camps.

Admiral Stone said that he would be grateful if the Yugoslav Representative would let him have a memo on this subject so that he could transmit the request to AFHQ.

The Chairman inquired whether any of the other Representatives wished to ask any questions relating to Italian political events and after ascertaining that none did, he thanked Admiral Stone for his replies.

2. Statement of the Soviet Union Representative regarding Discontinuance of Provision of Funds by the Combined Chiefs of Staff to the Soviet Delegation and Reimbursement for past Advances.

The Chairman inquired whether any Representative wished to make any comments.

Mr. Ward stated that he had reported to London that his Delegation had received a request for the reimbursement of funds advanced by the Allied Financial Agency and that he had recommended to the Foreign Office that authority be granted to make the requested reimbursement. He pointed out that the decision lies in London but that he felt that the account should be settled.

Dr. Smolaka read the following statement:

With reference to the Art. 23 and 33 of the Armistice Terms I have the honour to state that the Yugoslav Delegation stands firm on the unanimous decision of the Advisory Council for Italy, taken on April 2, 1944, on proposal of the U.S. Representative, that the administrative expenses of the Delegations and of the Secretariat have to be charged to the Italian Government.

All the money received by the Yugoslav Delegation from ²⁰¹⁰ Allied Financial Agency was spent on account of the administrative expenses of the Delegation made until November 1, 1945.

Since the Italian Government is bound to refund all administrative expenses, the Yugoslav Delegation considers to be entitled to the reimbursement of all administrative expenses made since Nov. 1, 1945 as well as of the expenses that will be made until the end of the work of the Advisory Council for Italy, and of such disbursements that the Yugoslav Delegation might still have to make in future for its administrative expenses due for the period prior to November 1, 1945.

The Yugoslav Delegation, therefore, not only does not consider itself obliged to reimburse the received money but it reserves the

0768

Admiral Stone said that he would be grateful if the Yugoslav Representative would let him have a memo on this subject so that he could transmit the request to ARHQ.

The Chairman inquired whether any of the other Representatives wished to ask any questions relating to Italian political events and after ascertaining that none did, he thanked Admiral Stone for his replies.

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The Yugoslav Delegation, therefore, not only does not consider itself obliged to reimburse the received money but it reserves the right to request in due time the full reimbursement of all administrative expenses made since the beginning until the end of the work of the Advisory Council for Italy.

M. Balay made the following statement:

"Monsieur le Directeur de l'Agence Financière Alliée

Par

Par lettre FA 3.25 du 29 Octobre et comme suite à votre communication 13.005 du 3 Novembre 1945, vous avez bien voulu demander à la Délégation Française au Conseil Consultatif pour l'Italie, de rembourser à l'Agence Financière Alliée, une somme de 3.050,479 liras que celle-ci lui a consentie à titre d'avances au cours des années 1944 et 1945.

J'ai l'honneur de vous faire savoir, en réponse, que la Délégation Française ne croit pas pouvoir réserver à cette demande une suite favorable. La somme en question lui a été avancée en effet pour lui permettre d'assurer, pour une faible partie du reste, ses dépenses administratives de fonctionnement.

Or, il n'est pas douteux, si l'on se réfère aux textes, que le Conseil Consultatif lorsqu'il a, le 2 Avril 1944, au cours de sa 9ème séance, fixé les règles de son organisation financière en prenant pour base le mémorandum américain du 15 Mars précédent, s'est mis d'accord pour décider que l'Agence Financière Alliée avancerait, sous réserve d'un règlement final entre les Nations Unies et l'Italie, non seulement les fonds destinés à régler les dépenses administratives des organismes communs du Conseil, mais encore ceux qui étaient nécessaires aux dépenses administratives des diverses délégations, en un mot "the administrative cost of the Council's work". Il est évident, en effet, que cette décision constituait, dans la lettre du mémorandum américain et dans l'esprit du Conseil, la contrepartie de la décision antérieure qui mettait à la charge de chacun des Gouvernements représentés au Conseil les traitements et indemnités des membres de chaque délégation. La Délégation Française possède du reste des documents contemporains d'où il ressort clairement que telles furent alors les intentions du Conseil.

Dans ces conditions, la Délégation Française estime qu'il y a lieu de s'en tenir, pour le moment, aux dispositions arrêtées unanimement par le Conseil dans sa séance du 2 Avril 1944 et de diriger le paiement des dépenses administratives du Conseil jusqu'à un règlement final entre les Nations Unies et le Gouvernement Italien."

Mr. Goshie stated that the position of the United States ^{Delegation} gation on the subject under discussion remained the same as outlined to the Council at the 50th meeting held on March 15, 1946.

K. Vatikioty stated that the position of his Delegation was indicated in the letter which the Greek Delegation sent to the Allied Financial Agency on December 13, 1946. (Copy of letter attached as Appendix #1) and that, briefly, the Greek Delegation holds the view that no reimbursement of advanced funds is due since the advances must be borne by the Italian Government pending final settlement of the matter between the United Nations and Italy.

Colonel Savio stated that he considered that all Allied funds advanced to his Delegation were for administrative expenses and that these they were not obliged to reimburse. He stated that the official position of his Delegation had been expressed by General Vasiliev at previous meetings. He added that he thought the Italian

une suite favorable. La somme en question lui a été avancée en effet pour lui permettre d'assurer, pour une faible partie du reste, ses dépenses administratives de fonctionnement.

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Colonel Savko stated that he considered that all allied funds advanced to his Delegation were for administrative expenses and that these they were not obliged to reimburse. He stated that the official position of his Delegation had been expressed by General Vasiliev at previous meetings. He added that he thought the Italian Government was obliged to continue to advance funds to the Delegations of the Advisory Council and is liable for all administrative expenses of the Soviet Union Delegation not only for the period ending November 1, 1945 but also for the subsequent period up to the actual conclusion of the work of the Advisory Council for Italy.

There were no further comments and the Chairman ascertained that the Council wished to include this item on the agenda of the next meeting.

3. "Restitution by the Italian Government of Yugoslav Property taken by Italian Fascist Authorities, included the Yugoslav Sunked Ships which should be salvaged and repaired at the expenses of the Italian Government".

Admiral Stone reported that the proposed reply of SACRED regarding this item had been drafted and was now before SACRED for signature. He stated that the reply would presumably be despatched during this week and should reach the Council sometime during the next week.

Dr. Smedlake presented the following statement:

"1. With reference to our request for restitution of looted Yugoslav property by the Italians, I can inform the Council that recently the following vessels have been restituted to the Yugoslav authorities:

- (a) Trawler BR.2 (Arbe) (item no. 15, page 2 of our list submitted to the Council)
- (b) Trawler BR.4 (Juno) (item no. 16, page 2)
- (c) Tugboat BOJANA (Zara) (item no. 17, page 2)

All these three vessels were previously used by the Italian Ministry of Public Works.

Furthermore, the following two vessels are in course of being restituted:

- (d) Motor launch KEDIR (item no. 13, page 2)
- (e) Motor launch VILA (Mirna) (item no. 14, page 2).

2. As other Yugoslav property is concerned, the restitution of the materials from the Yugoslav warships BEGRAD and LJUBLJANA is in course whereas, as far as other items are concerned, we have not received any definite positive reply. It is particularly considered that there should be no reason why Italy should not restitute without delay the following items:

- (a) Machines from the Tobacco Factory in Ljubljana (item 1, page 4). In this case the Industries and Utilities Branch, H. A. C., refused any further liaison for us (Ref. AC/5622/ED of 30 July 46).
- (b) Valuable papers of the "Drzavna Hipotekarna Banka" (item no. 9, page 4).

(c) Values taken from the "Crnogorska banka, Cetinje". Restitution requested in our letter Br.1151/46 of 3 August 46.



signature. He stated that the reply would presumably be despatched during this week and should reach the Council sometime during the next week.

Dr. Smodlaka presented the following statement:

1. With reference to our request for restitution of looted Yugoslav property by the Italians, I can inform the Council that recently the following vessels have been restituted to the Yugoslav authorities:

- (a) Trawler Br.2 (Arbe) (item no. 15, page 2 of our list submitted to the Council)
- (b) Trawler Br.4 (Juno) (item no. 16, page 2)
- (c) Tugboat BOJANA (Zara) (item no. 17, page 2)

All these three vessels were previously used by the Italian Ministry of Public Works.

Furthermore, the following two vessels are in course of being restituted:

- (d) Motor launch BUDHIR (item no. 13, page 2)
- (e) Motor launch VILA (Vina) (item no. 14, page 2).

2. As other Yugoslav property is concerned, the restitution of the materials from the Yugoslav warships BECCAD and LUBLJANA is in course whereas, as far as other items are concerned, we have not received any definite positive reply. It is particularly considered that there should be no reason why Italy should not restitute without delay the following items:

- A → (a) Machines from the Tobacco Factory in Ljubljana (item 1, page 4). In this case the Industries and Utilities Branch, H. A. C., refused any further liaison for us (Ref. AC/5622/IND of 30 July 46).
- B → (b) Valuable papers of the "Drzavna Hipotekarna Banka" (item no. 3, page 4).
- C → (c) Values taken from the "Crnogorska banka, Cetinje". Restitution requested in our letter Br.1151/46 of 8 August 46.

3. I hope that the Allied authorities in Italy will take further steps for the restitution of all Yugoslav property and particularly of the items mentioned above under para 2, a-c.

Admiral Stone inquired whether the Yugoslav Representative drew a distinction between the terms "restituted" and "handed over".

Dr. Smodlaka stated that he did not understand the Admiral's question.

Admiral

Admiral Stone stated that, as the Military used these terms, 'resubstitution', for example, of ships, implied return in operating condition, after repairs when required, and that the strict interpretation of the term 'handing over' was return in actual condition as found.

Dr. Smolaka, with reference to his statement presented at today's meeting, pointed out that the 9 tobacco machines mentioned under paragraph 2 (a) of his statement, were in possession of the Italian Government which was using these machines and that he failed to understand why they refused to hand them back to the Yugoslav authorities.

There was no further discussion and the Council agreed to include this item on the agenda of the next meeting.

4. Extradition to the Yugoslav Government of Italian War Criminals listed by the United Nations War Crimes Commission on Request of Yugoslavia.

The Chairman inquired whether any Representative wished to make any comments.

Mr. Ward, with reference to the statement made previously by the Yugoslav Representative to the effect that the Allied authorities were currently arresting alleged war criminals, stated that he had made inquiries and understood that this was not the case. He said that in cases where the British authorities desired the apprehension of alleged war criminals, the British authorities requested the Italian authorities to arrest such persons. He stated that trials of some of such persons had taken place. In the case of those persons who had been sentenced, arrangements were being made for the prisoners to be handed over to the Italian Government, who had agreed to accept custody of them and to honour the sentences imposed on them.

Dr. Smolaka made the following statement:

"In connection with the statement of the British Representative I would like to quote some examples of the Allied Military Courts having tried and sentenced recently, in October and November 1946, in Italy, on the territory under jurisdiction of the Italian Government. Italian citizens for war crimes committed against the Allies. Thus, the Allied Military Court in Florence tried on October 4, 1946 the Italian General Mario Carlone, Capt. Italo Simonetti and five Benedetto Pilon, and the first was absolved, the second was sentenced to death penalty and the third to lifelong prison. Furthermore, the same Military Court sentenced to imprisonment Pietro Magi on 31 October 1946 and, on 7 November 1946, absolved Lt. Col. Giulio Cidani. If it is considered necessary to have more information on this subject, the Advisory Council for Italy may, with reference to para 5 of the Moscow Resolution, request detailed information from SACRED."

Mr. Ward noted that Dr. Smolaka referred to Allied Military Courts and inquired whether Dr. Smolaka knew the composition of the Courts involved.

authorities.

There was no further discussion and the Council agreed to include this item on the agenda of the next meeting.

4. Extradition to the Yugoslav Government of Italian War Criminals listed by the United Nations War Crimes Commission on request of Yugoslavia.

The Chairman inquired whether any Representative wished to make any comments.

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Dr. Smolke made the following statement:

In connection with the statement of the British Representative I would like to quote some examples of the Allied Military Courts having tried and sentenced recently. In October and November 1946, in Italy, on the territory under jurisdiction of the Italian Government, Italian citizens for war crimes committed against the Allies. Thus, the Allied Military Court in Florence tried on October 4, 1946 the Italian General Mario Carlona, Capt. Italo Simonetti and Pte Benedetto Pilon, and the first was absolved, the second was sentenced to death penalty and the third to lifelong prison. Furthermore, the same Military Court sentenced to imprisonment Pietro Maggi on 31 October 1946 and, on 7 November 1946, absolved Lt. Col. Giulio Oldani. If it is considered necessary to have more information on this subject, the Advisory Council for Italy may, with reference to para 5 of the Moscow Resolution, request detailed information from SACIED.

Mr. Ward noted that Dr. Smolke's referred to Allied Military Courts and inquired whether Dr. Smolke knew the composition of the Courts involved.

Dr. Smolke stated that he did not but suggested that the Council could obtain this information from SACIED.

Admiral Stone remarked that he thought the particular Court mentioned was a U.S. Tribunal.

Dr. Smolke continued his statement as follows:

"I therefore consider that SACIED could give his assistance to Yugoslavia for punishing also the Italian War Criminals who committed their crimes against Yugoslavia. The Yugoslav Government requests that the Italian War Criminals be arrested and handed over. How it will be done is not its concern, SACIED may make arrangements through the Italian Government".

Mr. Vatikioty stated that he had not received any information from the Greek Government as to their views on this matter. He added that he felt, however, that if his Government should advance a claim regarding extradition of Italian war criminals (listed by the United Nations War Crimes Commission) the position of the Greek Delegation regarding the point of view held by AMHQ would be similar to that taken by the Yugoslav Representative.

Mr. Ward stated that the British Delegation could not support the proposal of a recommendation by the Advisory Council to SACIED along the lines suggested by the Yugoslav Representative. He pointed out that the procedure adopted by the British, namely, a direct approach to the Italian Government, was open to other interested parties.

Mr. Goshie stated that he could not support the Yugoslav proposal which involved a recommendation by ACI to SACIED. He pointed out that, as he had previously indicated, his Government considered that the question raised by the Yugoslav Representative was a matter to be properly taken up in direct negotiations between the Yugoslav Government and the Italian Government.

Colonel Sarzo expressed support of the Yugoslav proposal and stated that these war criminals must be handed over to Yugoslavia and that the Advisory Council for Italy should advise SACIED to enforce the Yugoslav request.

Mr. Goshie inquired whether the views expressed by Colonel Sarzo were official or personal views.

Colonel Sarzo replied that he had expressed the official position of the Soviet Union Government on this subject.

Dr. Smolaska stated that his Delegation had a right to expect and receive assistance from SACIED. *sup*

Mr. Goshie pointed out that SACIED could not handle this matter since the CCS directive precluded action by SACIED.

Dr. Smolaska stated that apparently all Delegations, but the British and the U.S. Delegations, were in favor of acting on the Yugoslav proposal.

Mr. Goshie inquired for an indication of the French position.

Mr. Balay stated that his Delegation was free to take any action in the premises.

Mr. Ward stated that in view of the instruction which SACIED received from CCS, it seemed to him that the matter should be pursued by the interested parties through diplomatic channels, and he ex-

regarding the point of view necessarily taken by the Yugoslav Representative.

Mr. Ward stated that the British Delegation could not support the proposal of a recommendation by the Advisory Council to SACEED along the lines suggested by the Yugoslav Representative. He pointed out that the procedure adopted by the British, namely, a direct approach to the Italian Government, was open to other interested parties.

Mr. Goshie stated that he could not support the Yugoslav proposal which involved a recommendation by ACI to SACEED. He pointed out that, as he had previously indicated, his Government considered that the question raised by the Yugoslav Representative was a matter to be properly taken up in direct negotiations between the Yugoslav Government and the Italian Government.

Colonel Savko expressed support of the Yugoslav proposal and stated that these war criminals must be handed over to Yugoslavia and that the Advisory Council for Italy should advise SACEED to enforce the Yugoslav request.

Mr. Goshie inquired whether the views expressed by Colonel Savko were official or personal views.

Colonel Savko replied that he had expressed the official position of the Soviet Union Government on this subject.

Dr. Smolicka stated that his Delegation had a right to expect and receive assistance from SACEED. *5612*

Mr. Goshie pointed out that SACEED could not handle this matter since the CCS directive precluded action by SACEED.

Dr. Smolicka stated that apparently all Delegations, but the British and the U.S. Delegations, were in favor of acting on the Yugoslav proposal.

Mr. Goshie inquired for an indication of the French position.

M. Balay stated that his Delegation was free to take any action in the premises.

Mr. Ward stated that in view of the instruction which SACEED received from CCS, it seemed to him that the matter should be pursued by the interested parties through diplomatic channels, and he expressed support of the position taken by the United States Representative and observed that he considered it useless for the Council to advise SACEED.

The Chairman stated that, since the opinion of the Council was not unanimous on this subject, he proposed that the minutes of the meeting should be sent to SACEED for information only and that the item remain on the agenda for the next meeting.

Colonel

0777

Colonel Savko agreed to this proposal.

Mr. Balsey agreed.

Mr. Ward stated that he had no objections.

Mr. Goshie agreed to the proposal presented by the Chairman and stated that he assumed that the minutes not only of this meeting but also of all previous meetings during which this item had been discussed would be forwarded to SACMED and that the covering note would make it clear that the minutes were being transmitted for information only.

Mr. Vatikiotty agreed.

The Chairman then stated that the Council was in agreement to send to SACMED copy of all minutes at which this item had been discussed, and that the minutes would be transmitted under cover of a letter stating that they were for information only, and that the item will remain on the agenda for the next meeting.

V
5. Miscellaneous

The Council had no miscellaneous business to discuss.

VI
6. Press Communique

The Council agreed to release the following press communique:

The 60th meeting of the Advisory Council for Italy was held on December 20, 1946, under the chairmanship of the Yugoslav Representative a.i., Dr. Sloven J. Snodleka. Other members of the Council present were:

M. Georges Balay	France
M. Constantin Vatikiotty	Greece
Colonel V.V. Savko	Soviet Union
Mr. John G. Ward	United Kingdom
Mr. John L. Goshie	United States

2011

Various questions were discussed.

Rear Admiral Ellery W. Stone, Chief Commissioner of the Allied Commission, attended the meeting."

DATE OF NEXT MEETING

The Council agreed to hold the next meeting on January 17 under the chairmanship of the French Representative.

but also of all previous meetings during which this item had been discussed would be forwarded to SACIED and that the covering note would make it clear that the minutes were being transmitted for information only.

M. Vatikiotty agreed.

The Chairman then stated that the Council was in agreement to send to SACIED copy of all minutes at which this item had been discussed, and that the minutes would be transmitted under cover of a letter stating that they were for information only, and that the item will remain on the agenda for the next meeting.

V. Miscellaneous

The Council had no miscellaneous business to discuss.

VI. Press Communique

The Council agreed to release the following press communique:

"The 60th meeting of the Advisory Council for Italy was held on December 20, 1946, under the chairmanship of the Yugoslav Representative a.i., Dr. Sloven J. Smoljaka. Other members of the Council present were:

- M. Georges Balay France
- M. Constantin Vatikiotty Greece
- Colonel V.V. Savko Soviet Union
- Mr. John G. Ward United Kingdom
- Mr. John L. Goshie United States

2011

Various questions were discussed.

Rear Admiral Ellery W. Stone, Chief Commissioner of the Allied Commission, attended the meeting."

DATE OF NEXT MEETING

The Council agreed to hold the next meeting on January 17 under the chairmanship of the French Representative.

Appendix #1:

Letter to Allied Financial Agency
from Greek Delegation No. 6619,
dated December 18, 1946.

JLG:hp

APPENDIX #1

TO MINUTES OF 60th MEETING OF THE ADVISORY COUNCIL FOR ITALY

GREEK DELEGATION
To the Advisory Council
for Italy

Ref. No. 6619

Subject : Advances to the Greek Delegation A.C.I.

To : Col. I.R. BATTENSBY
Director,
Allied Financial Agency,
R o m e .

1. Reference is made to communications No. FA/3.25 dated 29th October and 7 December 1946.
2. The Greek Delegation feel that they should maintain the point of view put forward in their letter No. 5497 of 27th November 1945 addressed to the Secretariat of the A.C.I. A copy of above letter which appeared in the minutes of the 47th meeting is herewith enclosed.
3. The Greek Delegation is of opinion (based on the following documents: Memorandum of April 1944 and Minutes of the 9th Meeting of the A.C.I.) that the Council have clearly stated that funds needed for administrative expenses of the various Delegations would be advanced by the A.F.A. pending a final settlement between the United Nations and Italy. Otherwise, there would be no justification to the decision specifying that allowances and indemnities of the Members of the various Delegations, had to be borne by the various Delegations.
4. The Greek Delegation hold therefore the view that no reimbursement of advanced funds is due since the above mentioned advances must be borne by the Italian Government pending the final settlement of the matter between the United Nations and Italy.

5010

The Greek Delegate.

To the Advisory Council for Italy

Ref. No. 6613

Subject : Advances to the Greek Delegation A.C.I.

To : Col. L.R. BATTERSBY
Director,
Allied Financial Agency,
R o m e .

1. Reference is made to communications No. FA/3.25 dated 29th October and 7 December 1946.
2. The Greek Delegation feel that they should maintain the point of view put forward in their letter No. 5497 of 27th November 1945 addressed to the Secretariat of the A.C.I. A copy of above letter which appeared in the minutes of the 47th meeting is herewith enclosed.
3. The Greek Delegation is of opinion (based on the following documents: Memorandum of April 1944 and Minutes of the 9th Meeting of the A.C.I.) that the Council have clearly stated that funds needed for administrative expenses of the various Delegations would be advanced by the A.F.A. pending a final settlement between the United Nations and Italy. Otherwise, there would be no justification to the decision specifying that allowances and indemnities of the Members of the various Delegations, had to be borne by the various Delegations.
4. The Greek Delegation hold therefore the view that no reimbursement of advanced funds is due since the above mentioned advances must be borne by the Italian Government pending the final settlement of the matter between the United Nations and Italy.

The Greek Delegate,

C.C. VATHIKIOTIS

Enclosure: Copy of letter
No. 5497 of 27.II.45

Rome, 16th December 1946

GREEK DELEGATION
To the Advisory Council
for Italy

Ref. No. 5497

The Greek Delegation to the Advisory Council for Italy have the honour to acknowledge receipt of the Secretariat's Note dated November 3, 1945, transmitting communication of the same date from the Finance Sub-Commission, Allied Commission, regarding the discontinuance as from 1 November, 1945 of M. Lire advances to the Advisory Council for Italy, following a directive issued by the Combined Chiefs of Staff, and would like to point out the following:

It is remembered that while the Combined Chiefs of Staff were studying the question of the provision of funds for the Advisory Council's use in Italy, the Council itself, at the invitation of the United States Representative, had expressed its views on this question, at its 8th and 9th meetings.

The Greek Delegation are therefore of the opinion that before the Combined Chiefs of Staff take measure such as the revoking of their previous authorization concerning M. Lire advances, it would be helpful if this question were again discussed by the Council as a whole.

This Delegation do not see why the principle of the 'differentiation of accounts', accepted by the Council at its 9th meeting should be parted from.

It is understood that from the beginning of the Council's functioning, the salaries and allowances of the members of the various national Delegations have been borne by their respective Governments while administrative costs including expenditures for quarters, office space for the Secretariat, utilities, salaries of local employees, stationery and similar expenses were defrayed by M. Lire advances in order that they may be charged to the Italian Government in the final settlement.

2009

The Greek Delegation hold the view that as long as the Advisory Council operates in Italy, the administrative costs of the said Council as a whole and of the various Delegations should continue to be defrayed as up to 1 November 1945. Instead of lump sums being advanced to the various Delegations for this purpose, these administrative costs could, in the future, be paid only by a single accounting unit such as the Liaison & Administrative Office to the ACI.

Finally, as regards the question raised in para 3 of the Finance Sub-Commission's letter, this Delegation point out that the agreement reached at the Council's meeting on 2 April 1944 was that administrative costs of the Council's work should be postponed for final settlement between the United Nations and the Italian Government.

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It is remembered that while the Combined Chiefs of Staff were studying the question of the provision of funds for the Advisory Council's use in Italy, the Council itself, at the invitation of the United States Representative, had expressed its views on this question, at its 8th and 9th meetings.

The Greek Delegation are therefore of the opinion that before the Combined Chiefs of Staff take measure such as the revoking of their previous authorization concerning AM Lire advances, it would be helpful if this question were again discussed by the Council as a whole.

This Delegation do not see why the principle of the "differentiation of accounts", accepted by the Council at its 9th meeting should be put in question.

It is understood that from the beginning of the Council's functioning, the salaries and allowances of the members of the various national Delegations have been borne by their respective Governments while administrative costs including expenditures for quarters, office space for the Secretariat, utilities, salaries of local employees, stationery and similar expenses were defrayed by AM Lire advances in order that they may be charged to the Italian Government in the final settlement.

The Greek Delegation holds the view that as long as the Advisory Council operates in Italy, the administrative costs of the said Council as a whole and of the various Delegations should continue to be defrayed as up to 1 November 1945. Instead of lump sums being advanced to the various Delegations for this purpose, these administrative costs could, in the future, be paid only by a single accounting unit such as the Liaison & Administrative Office to the ACI.

Finally, as regards the question raised in para 3 of the Finance Sub-Commission's letter, this Delegation point out that the agreement reached at the Council's meeting on 2 April 1944 was that administrative costs of the Council's work should be postponed for final settlement between the United Nations and the Italian Government.

Rome, November 27, 1945

SECRETARIAT
ADVISORY COUNCIL FOR ITALY
R O M E

2009

MINUTES OF THE 57th MEETING
OF THE ADVISORY COUNCIL FOR ITALY

The meeting was held at Villa Aremelle on September 27, 1946 under the chairmanship of Colonel V.V. Savko, the Soviet Union Acting Representative on the Council. Present at the meeting were:

- | | |
|-------------------------------|----------------|
| Colonel V.V. Savko | Soviet Union |
| Lt. N.M. Geegalin | |
| M. Georges Balay | France |
| M. Pierre Sebilliau | |
| Mr. Alexandre C. Argyropoulos | Greece |
| Mr. Constantin Himarios | |
| Sir Noel Charles | United Kingdom |
| Mr. H.A.A. Hankey | |
| Mr. John L. Goshie | United States |
| Dr. Sloven J. Smolaka | Yugoslavia |
| M. Čedomil Veljačić | |

The agenda for the meeting included the following items:

- 1.) Statement of the Soviet Union Representative regarding Discontinuance of Provision of Funds by the Combined Chiefs of Staff to the Soviet Delegation and Reimbursement for past Advances".
- 2.) Restitution by the Italian Government of Yugoslav Property taken by Italian Fascist Authorities, included the Yugoslav Sunken Ships, which should be salvaged and repaired at the Expenses of the Italian Government".
- 3.) Miscellaneous.
- 4.) Press Communiqué.

After the Chairman opened the meeting, before going over to the first item of the agenda, Dr. Smolaka presented the following statement:

"I cannot consider as valid the Minutes of the 56th Meeting of the Advisory Council for Italy as far as the following is reproduced therein as my statement:

"Dr. Smolaka inquired whether it could be considered that four weekly bulletins would constitute a substitute for the Admiral's regular report to the Advisory Council for Italy".
(Page 4, para 8).

The secretary of the Yugoslav Delegation, Mr. Veljacic, following my instructions informed the Secretariat A.C.I. two times that the Yugoslav Delegate does not agree with the formulation of his

- Mr. Alexandre C. Argyropoulos Greece
- Mr. Constantin Rimerios
- Sir Noel Charles United Kingdom
- Mr. H.A.A. Hankey
- Mr. John L. Goshie United States
- Dr. Sloven J. Smodlaka Yugoslavia
- M. Čedomil Veljačić

The agenda for the meeting included the following items:

- 1.) 'Statement of the Soviet Union Representative regarding Discontinuance of Provision of Funds by the Combined Chiefs of Staff to the Soviet Delegation and Reimbursement for past Advances'.
- 2.) 'Restitution by the Italian Government of Yugoslav Property taken by Italian Fascist Authorities, included the Yugoslav Sunken Ships, which should be salvaged and repaired at the Expenses of the Italian Government'.
- 3.) Miscellaneous.
- 4.) Press Communique.

After the Chairman opened the meeting, before going over to the first item of the agenda, Dr. Smodlaka presented the following statement:

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'Dr. Smodlaka inquired whether it could be considered that four weekly bulletins would constitute a substitute for the Admiral's regular report to the Advisory Council for Italy'.

(Page 4, para 8).

The secretary of the Yugoslav Delegation, Mr. Veljacic, following my instructions informed the Secretariat A.C.I. two times that the Yugoslav Delegate does not agree with the formulation of his statement and that it will be corrected.

The correction of the Minutes was requested by the note Br. 1436/46 of 26 September 1946 from the Yugoslav Delegation to the Secretariat A.C.I., but the Chief of the Secretariat refused to do so.

I therefore request that the sentence quoted above be corrected as follows:

*3 parts
2 parts*

Dr. Smolake inquired whether it could be considered that four weekly bulletins would constitute a new form only of Admiral Stone's report to the Advisory Council for Italy. In this case the regular report will remain on the agenda of the future meetings of the Council, just as it was before.

As a consequence of this correction of the minutes I also request that to today's agenda there may be added as the first item the 'Political Report of Rear Admiral E.W. Stone'.

Mr. Coshie, with reference to the foregoing statement presented by the Yugoslav Representative, stated that he had waited, in his capacity as Chief of the Secretariat, with the preparation and release of the final draft of the minutes of the meeting until the morning of September 26, i.e. twenty-four hours prior to today's meeting, and that since the Secretary of the Yugoslav Delegation had indicated to him that Dr. Smolaka may not return to Rome until after the meeting, he had thought it advisable to release the draft of the minutes (which had been approved by all Delegations, except the Yugoslav) in time for today's meeting. Mr. Coshie pointed out that he did not receive the amendments to the minutes of the 56th meeting, proposed by the Yugoslav Representative, until after the minutes had been circulated. He stated that he advised the Secretary of the Yugoslav Delegation at the time when the latter brought him the Yugoslav note Br.1436/46 of September 26 (see Appendix 1), that since the amendments proposed by the Yugoslav Representative would in effect alter the agreement on this subject reached by the Council at the last meeting, it would appear appropriate for the Yugoslav Representative to submit this question to the Council rather than request an amendment of the minutes on this point without the concurrence of the other Representatives.

The Chairman summing up the question under discussion stated that it included two problems: 1. the correction of the minutes of the last meeting and 2. inserting of the 'Political Report by Rear Admiral Stone' as the first item in today's agenda. As to the first point the Chairman expressed the opinion that the Secretariat should make the correction of the minutes of the 56th meeting as requested by Dr. Smolaka. As to the second point the Chairman confirmed that it has been agreed at the last meeting that Admiral Stone will answer questions in connection with the Bulletin of the A.C. which will be considered in future as his regular reports to the Council. Since this discussion will remain a part of the work of the Council, it must be comprised by an item of the agenda. The Chairman considered therefore that the respective item should remain on the agenda of future meetings of the A.C.I., though the formulation of the item may be modified.

Mr. Coshie stated that he did not recall that the Yugoslav Representative made a request at the last meeting to the effect that the regular report will remain on the agenda of the future meetings of the Council, just as it was before. He inquired whether any other Representative recalled the statement which the Yugoslav Representative now proposed as an amendment to the minutes of the last meeting.

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Mr. Goshie, with reference to the foregoing statement presented by the Yugoslav Representative, stated that he had waited, in his capacity as Chief of the Secretariat, with the preparation and release of the final draft of the minutes of the meeting until the morning of September 26, i.e. twenty-four hours prior to today's meeting, and that since the Secretary of the Yugoslav Delegation had indicated to him that Dr. Smodiaka may not return to Rome until after the meeting, he had thought it advisable to release the draft of the minutes (which had been approved by all Delegations, except the Yugoslav) in time for today's meeting. Mr. Goshie pointed out that he did not receive the amendments to the minutes of the 56th meeting, proposed by the Yugoslav Representative, until after the minutes had been circulated. He stated that he advised the Secretary of the Yugoslav Delegation at the time when the latter brought him the Yugoslav note Br. 1435/46 of September 26 (see Appendix 1), that since the amendments proposed by the Yugoslav Representative would in effect alter the agreement on this subject reached by the Council at the last meeting, it would appear appropriate for the Yugoslav Representative to submit this question to the Council rather than request an amendment of the minutes on this point without the concurrence of the other Representatives.

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Mr. Goshie stated that he did not recall that the Yugoslav Representative made a request at the last meeting to the effect that "the regular report will remain on the agenda of the future meetings of the Council, just as it was before". He inquired whether any other Representative recalled the statement which the Yugoslav Representative now proposed as an amendment to the minutes of the last meeting.

Sir Noel Charles stated that he did not recall the statement in question.

M. Balay stated that he too did not recall this particular statement.

Admiral Stone also went on record as not recalling the statement under discussion.

Sir

Sir Noel Charles stated that he felt that in view of the fact that current political events in Italy were reported adequately in the public press that it was no longer necessary for the Chief Commissioner of the Allied Commission to submit special reports to the Advisory Council for Italy, especially since the Allied Commission had ceased to exercise any control over Italian political activities. He added that therefore he wished to go on record as being opposed to the idea of requesting the Chief Commissioner to submit regular periodic political reports to the Advisory Council.

Mr. Goshie associated himself with Sir Noel Charles.

M. Balay stated that he agreed with the views expressed by Sir Noel Charles, but that he felt the Council should be given an opportunity to raise questions on this subject at its meetings.

Sir Noel Charles stated that it was understood that the Representatives were entitled to raise questions of interest to the Council at its meetings.

Dr. Smolaka stated that he insisted on the views expressed in his statement.

The Chairman stated that it would appear that the Council had no objections to leaving an item on the discussion of Italian events on the agenda.

Sir Noel Charles stated that naturally he had no objections to a discussion of Italian affairs but that he would like to have the submission of political reports discontinued.

The Chairman inquired whether anybody had any suggestions to make.

Mr. Goshie, with reference to the amendment to the minutes of the last meeting, proposed by the Yugoslav Representative, stated that since several Representatives of the Council, as well as Admiral Stone, have stated definitely that they do not recall that the Yugoslav Representative did make the statement which he now proposed as an amendment to the last minutes, and that since acceptance of this proposed amendment would in effect change the agreement on this point reached at the last meeting, that therefore he could not agree to a modification of the minutes of the last meeting. He added that if the Representatives of the Council so desired he was willing to agree to the inclusion on the agenda of an item providing for a discussion of Italian political events.

Dr. Smolaka inquired as to the proposed wording of the first item of the agenda and suggested that it be formulated with an indication that the Council discussed political events in the presence of Admiral Stone. The same formulation should be included in the press communique.

M. Balay proposed that the press communique merely indicate that Admiral Stone, Chief Commissioner of the Allied Commission, attended the meeting.

Mr. Goshie associated himself with Sir Noel Charles.

M. Balay stated that he agreed with the views expressed by Sir Noel Charles, but that he felt the Council should be given an opportunity to raise questions on this subject at its meetings.

Sir Noel Charles stated that it was understood that the Representatives were entitled to raise questions of interest to the Council at its meetings.

Dr. Smodlaka stated that he insisted on the views expressed in his statement.

The Chairman stated that it would appear that the Council had no objections to leaving an item on the discussion of Italian events on the agenda.

Sir Noel Charles stated that naturally he had no objections to a discussion of Italian affairs but that he would like to have the submission of political reports discontinued.

The Chairman inquired whether anybody had any suggestions to make.

Mr. Goshie, with reference to the amendment to the minutes of the last meeting, proposed by the Yugoslav Representative, stated that since several Representatives of the Council, as well as Admiral Stone, have stated definitely that they do not recall that the Yugoslav Representative did make the statement which he now proposed as an amendment to the last minutes, and that since acceptance of this proposed amendment would in effect change the agreement on this point reached at the last meeting, that therefore he could not agree to a modification of the minutes of the last meeting. He added that if the Representatives of the Council so desired he was willing to agree to the inclusion on the agenda of an item providing for a discussion of Italian political events.

Dr. Smodlaka inquired as to the proposed wording of the first item of the agenda and suggested that it be formulated with an indication that the Council discussed political events in the presence of Admiral Stone. The same formulation should be included in the press communique.

M. Balay proposed that the press communique merely indicate that Admiral Stone, Chief Commissioner of the Allied Commission, attended the meeting.

Sir Noel Charles, Mr. Argyropoulo, and Mr. Goshie supported M. Balay's proposal.

Dr. Smodlaka again expressed insistence on a correction of the minutes of the 56th meeting and on the inclusion of a political report on the agenda.

The

The Chairman stated that it appeared that the Council agreed to retain on the agenda a discussion of Italian political events. After further discussion, the Chairman ascertained that the Council was agreeable to including the following item on the agenda:

Discussion of Italian Political Events.
(The Chief Commissioner of the Allied Commission will be invited to attend)'

In accordance with the agreement reached on this point the Council decided to amend the agenda of today's meeting by including as item 1.) 'DISCUSSION OF ITALIAN POLITICAL EVENTS (The Chief Commissioner of the Allied Commission will be invited to attend).'" The Council took no action toward amending the minutes of the last meeting.

i. Discussion of Italian Political Events (The Chief Commissioner of the Allied Commission will be invited to attend).

The Chairman inquired whether any of the Representatives had any questions to ask regarding the Allied Commission's weekly report which had been circulated.

Dr. Smodlaka inquired whether AFHQ were about to be transferred from Caserta to Padua.

Admiral Stone stated that no decision had been taken to move AFHQ. He noted, however, that it had been decided to transfer to Padua the Headquarters of the Central Mediterranean Forces which is the British component of the Allied Forces in Italy.

Dr. Smodlaka inquired whether SACMED would stay in Caserta or be in Padua.

Admiral Stone reported that SACMED would stay in Caserta.

Dr. Smodlaka inquired as to the reasons of this proposed change.

Admiral Stone stated that the reasons were due to a desire for a better administrative integration and economy in British military manpower. *203*

Dr. Smodlaka referred to an item in the August 31st bulletin reporting Professor Royse's trip to this theater to study the problem of displaced persons and inquired whether the results of this trip had been published.

Admiral Stone noted that the item referred to by the Yugoslav Representative was merely a news item, as the Allied Commission had received it, and stated that Prof. Royse was not traveling under orders of AFHQ or Allied Commission and had not made any report nor was he required to make one.

Dr. Smodlaka noted that Prof. Royse was accompanied by Colonel Finley of the Allied Commission.

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Dr. Smodlaka noted that Prof. Royse was accompanied by Colonel Finley of the Allied Commission.

Admiral Stone replied that the Colonel accompanied the Professor as a gesture of courtesy only.

Dr. Smodlaka inquired whether Prof. Royse had visited all displaced persons camps or only Allied Commission camps.

Admiral Stone replied that the Professor had visited Allied Commission and UNRRA camps.

Colonel

Colonel Savko referred to an item in the September 21st bulletin, according to which an Italian Center Party was about to be created and inquired whether this Party would be a mass party.

Admiral Stone stated that he was unable to answer Colonel Savko's question since the item he referred to was merely a rumor and published as such.

The Chairman thanked the Admiral for the information he had given to the Council.

- 2. "Statement of the Soviet Union Representative regarding Discontinuance of Provision of Funds by the Combined Chiefs of Staff to the Soviet Delegation and Reimbursement for Past Advances".

The Chairman inquired whether any of the Representatives had received additional instructions and after ascertaining that none had, he suggested that the item be included on the agenda of the next meeting.

This suggestion was agreeable to all Representatives.

- 3. "Restitution by the Italian Government of Yugoslav Property taken by Italian Fascist Authorities, included the Yugoslav Sunken Ships, which should be salvaged and repaired at the Expenses of the Italian Government."

Dr. Smodlaka inquired whether ACI had received any reply to its last letter addressed to AFHQ in September.

The Chairman inquired whether Mr. Goshie could answer this question.

Mr. Goshie stated that to date a reply had not been received by the Secretariat of the Council.

Admiral Stone reported that he had called AFHQ which had expressed regret for not having been able to forward a reply as yet but hoped to have a reply for the Council at its next meeting. 200

Dr. Smodlaka suggested that the Council address another communication to AFHQ, soliciting a reply to its letter in the premises.

All Representatives agreed with this suggestion.

4. Miscellaneous

The Council had no miscellaneous business to discuss.

5. Press Communique

Colonel Savko suggested that the regular press communique be amended to read that the Council discussed Italian political events in the presence of Admiral Stone.

Mr. Neal Charles suggested that the last paragraph of the usual

to the Council.

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All Representatives agreed with this suggestion.

4. Miscellaneous

The Council had no miscellaneous business to discuss.

5. Press Communique

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Sir Noel Charles suggested that the last paragraph of the usual press communique merely indicate that the Chief Commissioner of the Allied Commission attended the meeting.

After further discussion the Chairman ascertained that the Council was agreeable to releasing the following press communique:

"The 57th meeting of the Advisory Council for Italy was held in Rome on September 27, 1946 under the chairmanship of the USSR Acting Representative, Colonel "V." Savko. Other members of the Council present were:

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- 6 -

- M. Georges Belay France
- M. Alexandre Argyropoulos Greece
- Sir Noel Charles United Kingdom
- Mr. John L. Coshie United States
- Dr. Sloven J. Smcdlaka Yugoslavia

Various questions were discussed.

Rear Admiral Ellery W. Stone, Chief Commissioner of the Allied Commission attended the meeting.

DATE OF NEXT MEETING

The Council agreed to hold the next meeting on October 25 under the chairmanship of the Representative of the United Kingdom.

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APPENDIX #1

Note Br.1436/46 of September 26, 1946.

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APPENDIX #1TO MINUTES OF 57th MEETING OF ADVISORY COUNCIL FOR ITALY

DELEGATION OF THE FEDERAL PEOPLE'S
REPUBLIC OF JUGOSLAVIA
TO THE ADVISORY COUNCIL FOR ITALY

Br. 1436/46

1. The Yugoslav Delegation to the Advisory Council for Italy has the honour to request the Secretariat that in the Preliminary Draft of the Minutes of the 56th Meeting the following correction may be inserted:

Page 2, para 4: 'Dr. Smolaka inquired whether it could be considered that four weekly bulletins would constitute a new form only of Admiral Stone's report to the Advisory Council for Italy. In this case the regular report will remain on the agenda of the future meetings of the Council, just as it was before'.

2. The Yugoslav Delegation to the Advisory Council for Italy has also the honour to request the Secretariat that the item 'Political Report of Rear Admiral E.W. Stoner' may be inserted in the agenda of the September 27, 1946 meeting, according to the request of our Secretary Mr. Veljacic to Miss Pass by phone ²⁰⁰² some days ago.

ROME, 26 September 1946

0795

13 August 1946

SUBJECT: Letter of Transmittal

TO : SACRED's Secretariat, AFHQ, APO 512

1. The enclosed letter signed by M. Georges Balay, Chairman in turn of rotation of the Advisory Council for Italy, was sent to this office by Mr. John L. Goshie, Secretariat, AGI, for transmission to SACRED.

2. Acknowledgment of receipt will be appreciated.

For the Chief Commissioner:

J. C. Nively
J. C. NIVELY
Major, Inf.
Staff Officer to CC

1 Incl:
Ltr, 5 Aug 46,
and G. Balay, to
SAC

2001

D. J. [unclear]
8/20/46

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AUG 28 1946

MINUTES OF THE 55th MEETING
OF THE ADVISORY COUNCIL FOR ITALY

The meeting was held at Palazzo Farnese on August 2, 1946 under the chairmanship of L. Georges Balay, the French Acting Representative on the Council. Present at the meeting were:

- | | |
|-------------------------|----------------|
| M. Georges Balay | France |
| M. Pierre Sebilleau | |
| M. Constantin Vatikioty | Greece |
| M. Constantin Ilmarios | |
| Colonel V.V. Savko | Soviet Union |
| Lt. H.H. Geegalin | |
| Sir Noel Charles | United Kingdom |
| Mr. B.P. Pavitt | |
| Mr. John L. Goshie | United States |
| Dr. Sloven J. Snodlaka | |
| M. Čedomil Veljačić | Yugoslavia |

The agenda for the meeting included the following items:

- 1.) Political Review - by Rear Admiral Ellery W. Stone, Chief Commissioner of the Allied Commission.
- 2.) Statement of the Soviet Union Representative regarding Discontinuance of Provision of Funds by the Combined Chiefs of Staff to the Soviet Delegation and Reimbursement for past Advances.
- 3.) Restitution by the Italian Government of Yugoslav Property taken by Italian Fascist Authorities, included the Yugoslav Sunken Ships, which should be salvaged and repaired at the Expenses of the Italian Government. **2000**
- 4.) Miscellaneous.
- 5.) Press Communiqué.

M. Georges Balay, the Chairman, opened the meeting and called on Admiral Stone to present his report.

1. Political Review

(a) Report by Rear Admiral Ellery W. Stone:

Gentlemen:

M. Pierre Sebillan

- M. Constantin Vatikiotty Greece
- M. Constantin Hilarics
- Colonel V.V. Savko Soviet Union
- Lt. M.H. Geegalin
- Sir Noel Charles United Kingdom
- Mr. B.P. Pavitt
- Mr. John L. Goshie United States
- Dr. Sloven J. Smoljaka Yugoslavia
- M. Ćedomil Veljačić

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- 4.) Miscellaneous.
- 5.) Press Communique.

M. Georges Balay, the Chairman, opened the meeting and called on Admiral Stone to present his report.

1. Political Review

(a) Report by Rear Admiral Ellery W. Stone:

"Gentlemen:

At your last meeting, I reported on the results of the election and referendum, and on the preliminary stages of the transition for Monarchy to Republic in Italy. During the intervening weeks there have been two basic factors in the political situation in the country; first, the attempts by Prime Minister De Gasperi to form a government to carry on internal administration, which have been intimately associated with attempts to initiate the work of the Constituent Assembly. The second factor has been one which Italians consider vital to themselves and to their nation, but about which neither the Italian Government nor people have had a determining voice. I refer, of course, to the conclusion of a peace treaty with Italy.

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It is not possible, in appreciating the recent political developments in Italy, completely to separate these two factors; De Gasperi himself, during the course of his remarks to the Constituent Assembly, acknowledged this fact by pointing out the necessity of forming a government before the peace conference of 21 nations should convene in Paris. It is not at all improbable that revelation of many of the preliminary decisions of the Council of Foreign Ministers, particularly those affecting Italy's frontiers, had considerable psychological effect in helping to precipitate the purely domestic matters which had to be solved before a government could be formed.

It became apparent soon after De Gasperi accepted President De Nicola's charge to form a government, that a critical issue would be whether Italian labor should receive a general wage increase at this time, to the possible detriment as claimed by Corbino, for example - of the country's efforts to control inflation. This basically economic issue appears to have been solved by political means and it seems safe to say that what the political parties have been able to agree upon as government economic policy represents a series of compromises adding up to a moderate and slightly right of center position. It was evident during the course of the negotiations that labor politics had a considerable part; disagreement, and therefore the necessity for compromise, among the three principal parties of the CGIL was apparent. Inasmuch as these same parties were the three most influential in the governmental sphere, their disagreement was probably salutary in that it served to air inter-party differences and permit an appreciation of the obstacles to future government stability.

On July 10, it was reported that substantial agreement had been reached among the three mass parties on a Government program. The domestic aspects of the program, which are largely economic, aim at the recovery of public finance and the protection of the lira against further devaluation. There will be two budgets, a regular one which it is hoped to bring into balance, and an extraordinary budget, to be financed in part by a public loan and to be designed to meet expenditures on public works and other economic palliatives. In lieu of a general wage increase, it has been decided to grant the so-called "Republic" bonus, and at the same time to put in hand measures designed to stabilize, or, preferably, decrease the cost of living. In making this program known to the Constituent Assembly on July 15, De Gasperi gave the impression that the Italian Government will assume direct responsibility for the unemployed, thus relieving industries of their present considerable financial burden in this regard. He also indicated at this time that a principal preoccupation of the new Government will be the maintenance of public order and respect for law in Italy.

The names of the members of the new Government were announced on July 13, and the Cabinet was sworn in the next day. In accordance with the terms of the so-called MacMillan Memorandum of 1945, only the names of proposed Ministers of Navy, War and Air Force were submitted for the approval of the Allies. Contrary to some reports, I think you will be interested to know that the names thus approved were the only names submitted by De Gasperi.

1999

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A tentative proposal to decrease the total number of Ministers was not adopted; although some former Ministries were abolished, the total number is not changed from that of the previous Government. The Cabinet comprises eight Christian Democrats, four Socialists, four Communists, two Republicans, and one Independent; De Gasperi retained, in addition to the Prime Ministry, the Ministry of Interior and, until the conclusion of peace, the Ministry of Foreign Affairs. The former Ministry of Reconstruction has been replaced by a joint inter Ministerial committee.

- 3 -

As I have suggested, the Prime Minister's attempts to form a Government coincided with the arrival of news of Italy's future fate. The Italian press reported extensively and commented bitterly on the decisions of the Council of Foreign Ministers; at the same time, there were outbreaks of violence in many cities throughout the country. In every case, so far as I can judge, the principal subject of protest by the demonstrators was the decision to internationalize that part of Venezia Giulia between the proposed so-called French Line and the area definitely confirmed as Italian. The demonstrations, like the press, assumed a marked anti-Allied tone. In this connection I think you may be interested to know that on July 11 I received a letter from De Gasperi expressing regret at demonstrations against Allied Officers and troops, which he attributed to the general atmosphere of anxiety, perturbation and disappointment of the Italian people with regard to the solution adopted by the Paris conference.

In his address to the Constituent Assembly, to which I have already referred, the Prime Minister outlined the new Government's foreign policy. In regard to frontier questions, he said, Italy would seek to obtain an ethnic frontier to the east; he reaffirmed Italy's will to collaborate with Yugoslavia, and asked, with reference to the western frontier, that Italy be consulted on all problems regarding French claims. In other matters connected with the peace treaty, De Gasperi sought to define his conception of Italy's best interests and concluded by saying that the Government would not pledge its word on a peace treaty before consulting the Constituent Assembly, to which, he noted, the law gives the right to decide whether a peace treaty is to be signed or rejected.

During the last fortnight, the Government has undertaken efforts to obtain support for Italy's cause among nations other than those represented in the Council of Foreign Ministers. To this end Pietro Nenni has made a trip to the capitals of northern Europe with the avowed purpose of explaining Italy's position, and in the last few days, Count Sforza has arrived on a similar mission in South America.

Although no formal invitation has yet been received by the Italian Government to the Conference at Paris, the Prime Minister feels that he has received assurances of such an invitation, and hopes shortly to go to Paris at the head of a delegation. In all probability the Italian Ambassadors at London, Washington, Rio de Janeiro and Moscow will form part of any such delegation, in addition to economic, geographic and other experts, and a group representing Venezia Giulia. I envisage that the delegation, unlike that which appeared on July 19 before the Foreign Ministers' special commission on the free territory of Trieste, will be concerned with all aspects of the treaty. The delegation which was heard by the Trieste commission confined its first statement to a reservation of acceptance of the principle of internationalization and took exception to the short notice on which they had been summoned to present Italy's views. I understand, however, that a few days later definite Italian views on the form and structure of the proposed future international state were submitted in writing.

1998

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Meanwhile, Italy's international position remains juridically unchanged, since the Italian Government has been too occupied with the broad problems of internal organization and long term international arrangements to be able to study and comment on the proposed revision of the 1943 armistice terms.

That, Gentlemen, concludes my report."

The Chairman thanked the Admiral for his report and invited discussion thereon.

(b)

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(b) Discussion

Colonel Savko noted that in today's issue of "The Rome Daily American" there was an article reporting a pending Government crisis arising from developments reported from the Paris peace conference.

Admiral Stone stated that the article seemed to be purely speculative and that, as he remembered it, it spoke of a possible change in the Government after conclusion of the peace treaty.

Sir Noel Charles stated that he had inquired at Palazzo Chigi and had been informed that there was no foundation to this rumor reported in the newspaper.

Admiral Stone, with reference to the pending revision of the armistice terms, stated that he wished to express his personal opinion that the Italian Government was probably delaying action on the signing of the documents relating to this revision, until they see how Italy fares at the Paris peace conference.

There was no further discussion.

2. "Statement of the Soviet Union Representative regarding Discontinuance of Provision of Funds by the Combined Chiefs of Staff to the Soviet Delegation and Reimbursement for Past Advances".

The Chairman inquired whether any of the Representatives had received additional instructions and after ascertaining that none had he suggested that the item be included on the agenda of the next meeting.

This suggestion was agreeable to all Representatives.

3. "Restitution by the Italian Government of Yugoslav Property taken by Italian Fascist Authorities, included the Yugoslav Sunken Ships, which should be salvaged and repaired at the Expenses of the Italian Government".

Dr. Snodlaka made the following statement:

"With reference to the letter from General M.V.M. MacLeod to the Chairman in turn of rotation of the Advisory Council for Italy, dated 12th July 1946, circulated by the Secretariat *, I have the honour to state as follows:

The letter did not include any report on the facts presented in the lists of Yugoslav claims for restitution.

Gen. M.V.M. MacLeod in his reply said that the "question of the restitution of Yugoslav shipping is now under examination" but did not take any notice of the whole of the claims presented by us.

I therefore have the honour to propose:

- (a) That a general report on Yugoslav claims for restitution be solicited from SACRED

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I therefore have the honour to propose:

- (a) That a general report on Yugoslav claims for restitution be solicited from SACED.
- (b) That it may be emphasized in the request that a report was requested not only as regards Yugoslav shipment but on all Yugoslav claims for restitutions."

Admiral Stone noted that he felt that Major General MacLeod's letter was not intended to indicate that AFHQ will confine their

reply

(*) Copy of letter attached as Appendix 1.

reply to shipping only. He added that he thought AFHQ would deal fully with the question raised in the last ACI letter in the premises.

Dr. Smodlaka inquired whether the Admiral felt that the Council could expect an early report on this subject.

Admiral Stone replied that the report was being compiled as quickly as possible and that a reply would be forthcoming in a short time. He noted that some of the legal questions raised in connection with this subject may have to be submitted to the Combined Chiefs of Staff for a ruling.

The Chairman proposed that the Council forward a communication to SACRED acknowledging receipt of Major General IaLaced's letter of July 12 and indicating that the Council was waiting for the requested report.

This suggestion was acceptable to all Representatives.

4. Miscellaneous

The Council had no miscellaneous business to discuss.

5. Press Communiqué

The Council agreed to release the following press communiqué:

"The 55th meeting of the Advisory Council for Italy was held in Rome on August 2, 1946 under the chairmanship of the French Acting Representative, M. Georges Balay. Other members of the Council present were:

- M. Constantin Vatikiotty Greece
- Colonel V. Savko Soviet Union
- Sir Noel Charles United Kingdom **1998**
- Mr. John L. Goshie United States
- Dr. Sloven J. Smodlaka Yugoslavia

Rear Admiral Ellery W. Stone, Chief Commissioner of the Allied Commission, presented a report on current political developments in Italy to the Council."

DATE OF NEXT MEETING

The Council agreed to hold the next meeting on August 30 under Greek chairmanship.

Staff for a ruling.

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APPENDIX 1:

Letter from Major General M.M. MacLeod, dated July 12, 1946, addressed to the Chairman, Advisory Council for Italy.

JLG:hp

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APPENDIX I

TO MINUTES OF 55th MEETING OF ADVISORY COUNCIL FOR ITALY

From: Major General M.W.M. MacLeod

ALLIED FORCE HEADQUARTERS

OFFICE OF THE CHIEF OF STAFF

12th July, 1946.

My dear Dr. Smodlaka

I wish to acknowledge receipt of your letter dated 9th July, 1946, addressed to General MORGAN who is at present away from CASERTA.

The whole question of the restitution of JUGOSLAV shipping is now under examination here and a reply to the various points you raise will be forwarded to you as soon as possible.

1993

Yours sincerely

(signed) M.W.M. MacLeod

Dr. Sloven J. SMODLAKA,
Chairman, Advisory Council for ITALY,
c/o Allied Commission,
ROME.

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FROM: Major General M.V.M. MacLeod

ALLIED FORCE HEADQUARTERS
OFFICE OF THE CHIEF OF STAFF

12th July, 1946.

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1993

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Chairman, Advisory Council for ITALY,
c/o Allied Commission,
ROME.

Dr. Smodlaka referred to an item published in the "Allied Commission Weekly Bulletin" of November 18, 1946 regarding the salvaging of American merchant ships sunk in Italian ports and inquired how many ships were involved.

Admiral Stone stated that he did not have the data on hand.

Dr. Smodlaka further inquired as to who would advance the funds for salvaging the ships and how the financing would be handled.

Admiral Stone replied that the U.S. Maritime Commission was considering the matter and that the Allied Commission was not being consulted in the premises.

Dr. Smodlaka asked how the salvaging would be arranged.

Admiral Stone stated that he understood that this question was at present under consideration.

Dr. Smodlaka referred to another item published in the "Allied Commission Weekly Bulletin" of November 9, 1946 regarding the Navy Sub-Commission's work involving the salvaging of some United National's ships sunk in Italy, and inquired how the ownership of such ships was identified.

Admiral Stone replied that he assumed that this was being done on the basis of such identity marks as were available.

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Smodlaka

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Handwritten signature:
Stone

MINUTES OF THE 53rd MEETING
OF THE ADVISORY COUNCIL FOR ITALY

The meeting was held at Via Vittorio Veneto 119 on June 7, 1946 under the chairmanship of Mr. John L. Goshie, the U.S. Acting Representative on the Council. Present at the meeting were:

Mr. John L. Goshie	United States
M. Georges Balay	France
M. Pierre Sebilleau	
M. George Exintaris	Greece
M. Alexander Sgourdéos	
Colonel V.V. Savko	Soviet Union
Lt. N.M. Geegalin	
Mr. Aubrey S. Halford	United Kingdom
Dr. Sloven Smodlaka	Yugoslavia
M. Čedomil Veljačić	

The agenda for the meeting included the following items:

- 1.) Political Review - by Rear Admiral Ellery W. Stone,
Chief Commissioner of the Allied
Commission.
- 2.) "Statement of the Soviet Union Representative regarding
Discontinuance of Provision of Funds by the Combined
Chiefs of Staff to the Soviet Delegation and Reimburse-
ment for past Advances".
- 3.) "Restitution by the Italian Government of Yugoslav Property
taken by Italian Fascist Authorities, included the Jugo-
slav Sunken Ships, which should be salvaged and repaired
at the Expenses of the Italian Government".
- 4.) Miscellaneous.
- 5.) Press Communique

The Chairman, Mr. John L. Goshie, opened the meeting and called on Brigadier Lush to present Admiral Stone's report.

Brigadier Maurice L. Lush, Executive Commissioner of the Allied Commission, reported that Admiral Stone had returned to duty but was unable to attend the meeting owing to pressure of urgent work.

1. Political Review

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M. Pierre Sebilleau
M. George Txinteris
M. Alexander Sgourdéos

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Greece

Colonel V.V. Savko
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on Brigadier Lush to present Admiral Stone's report.

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Commission, reported that Admiral Stone had returned to duty but was
unable to attend the meeting owing to pressure of urgent work.

1. Political Review

(a) Report by Rear Admiral Ellery W. Stone presented by Brigadier
Lush:

"Gentlemen:

As was to be expected, the first week of the period under review
was entirely taken up with preparations for the elections on June 2nd
and 3rd. The Council of Ministers was unable to meet during this
period and therefore no government business was transacted. All the

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Ministers and political party leaders were touring the country at lightning speed, making their final pre-election speeches.

Political excitement reached its fever pitch on May 30th with the holding of the last publicly allowed political gatherings. On that day Signor de Gasperi spoke in Florence and Milan. He had spoken earlier in the week in Sicily, Southern Italy and Rome. Signor Teglieviti made his principal speech at a large Communist gathering on the Palatine Hill on May 30th while the Republicans met in the Piazza della Cancelleria, the Socialists at the Basilica of Maxentius and Senator Orlando addressed the adherents of the National Democratic Union in the Teatro Adriano. Political gatherings were of course forbidden on May 31st and June 1st and there was consequently a noticeable slackening of the tension at least on the surface. Political activities no doubt continued on these days but the general air of carelessness throughout the country was only marred by one incident, when, it is reported, a hand grenade was thrown into the offices of the Avanti newspaper in Milan during the evening of June 1st.

Before reporting on the elections themselves and discussing such results as have become known at the time of writing, I would like to draw your attention to one or two events which took place during the last week of May and may be said to have some influence on the elections also. As you are already aware, at 5.30 p.m. on May 29th, the Executive Commissioner of the Allied Commission, acting on my behalf, called on the President of the Council and left with him a written communication to the effect that in view of the imminent elections the Allied Governments regarded as terminated the undertaking given by successive Italian Governments since the armistice regarding the truce on the institutional question. Although in practice the institutional truce has been violated a number of times by both sides in recent months, and could not therefore be said to be operative any longer, it was necessary from the point of view of the Allied Governments to take official action to terminate the truce in order that at some future date the Italian political parties should not be able to accuse the Allied authorities of having hampered their electoral activities by insisting on the maintenance of the truce and thereby prejudicing the free expression of the popular will.

During the week the press was full of rumours regarding the imminent signature of the new armistice terms. These rumours were given a stimulus by the visit to Rome of the Supreme Allied Commander on May 29th. However, General Morgan did not see the President of the Council on this occasion and there was, needless to say, no truth in the story that the new armistice was about to be signed. However, on instructions from the Supreme Allied Commander, I caused the text of the revised armistice as agreed by the Four Foreign Ministers at Paris on May 16th to be officially communicated to Signor de Gasperi at 11 a.m. on June 1st. The text of this document is as follows:

"Whereas hostilities have ceased.

"Whereas after the armistice, Italian Forces contributed to the war

of the National Democratic Union in the Teatro Adriano. Political Gatherings were of course forbidden on May 31st and June 1st and there was consequently a noticeable slackening of the tension at least on the surface. Political activities no doubt continued on these days but the general air of orderliness throughout the country was only marred by one incident, when, it is reported, a hand grenade was thrown into the offices of the Avanti newspaper in Milan during the evening of June 1st.

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- "Whereas hostilities have ceased.
- "Whereas after the armistice, Italian Forces contributed to the war against Germany, Italy declared war on Germany as from October 13, 1943 and thereby became a co-belligerent against Germany.
- "Whereas the armistice terms have thereby become in part obsolete or have been superseded by events.
- "Whereas

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"Whereas the Government of Italy has requested and the Governments of the United States, United Kingdom, Union of Soviet Socialist Republics and France have agreed to a modification of the armistice regime in the light of existing circumstances.
 "Accordingly, the afore-mentioned Governments have decided that the Armistice terms shall be modified as follows, pending the coming into force of a treaty of peace.

"1. The additional conditions of armistice of September 29, 1943 are hereby abrogated.

"2. Relations between the United States, United Kingdom, Soviet and French Governments, acting in the interest of the United Nations, and Italy, shall be governed by the Armistice of September 3, 1943, as modified by the present agreement.

"3. The Allied Commission is hereby abolished.

"(A) A special section of Allied Force Headquarters under the orders of the Supreme Allied Commander who will act as chairman, shall be established to assume the control functions of supervision and direction of the Italian Armed Forces heretofore exercised by the Land, Navy and Air Force Sub-Commissions in the Allied Commission. This section shall control the production of armaments.

"(B) The employment and disposition of the Italian Navy shall remain as at present under the command and control of the Supreme Allied Commander.

"(C) Pending the coming into force of any treaty of Peace, Allied Military Government shall be continued under the Supreme Allied Commander, Mediterranean, in Venezia Giulia and in the Province of Udine.

"4. The provisions of the present instrument shall not apply in or affect the administration of any Italian colony or dependency.

"5. Simultaneously with the coming into force of the present agreement, further agreements shall be concluded between the United States and Italy, and between the United Kingdom and Italy, providing for the maintenance in Italy of Allied Forces under redeployment, and for the retention of the Allied Forces required for the Allied lines of communication to Austria.

"6. Italian prisoners of war now held under the jurisdiction of the United States, United Kingdom, the Soviet Union and France shall be repatriated as soon as possible.

"7. The Government and people of Italy will abstain from all acts detrimental to the interest of the United Nations or of their nationals.

"8. The Italian Government will cooperate in the apprehension and surrender for trial of, or in making available as witnesses, Italian subjects or nationals of states at war with the United Nations designated by the United Nations as war crimes commission or the International Military Tribunal established by the agreement signed at London on August 5, 1945.

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"9. The Italian Government will provide, at its own expense, all necessary facilities for and will cooperate with the United Nations in the search for and restitution of property wrongfully removed

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from the territories of the United Nations and located in Italian territory.

"10. The Italian Government, in full recognition of the absolute and untrammelled right of the people of Italy to choose by constitutional means the form of democratic government they desire, hereby renews its pledge to submit to the will of the people, to this end, the Italian Government undertakes to provide through free elections for an expression of the popular will on the democratic forms of government to be chosen by the people, it being understood that the choice shall be decided by the majority of the popular vote, which shall be binding upon the present government and upon bodies constituted through such elections.

"11. The present agreement shall be without prejudice to any claims of any of the United Nations against Italy arising out of hostilities conducted in or by Italy and shall in no way affect the final disposal of Italian territory or property, nor shall it impair any limitations or restrictions which may be imposed upon Italy in the Treaty of Peace.

"12. The present agreement shall enter into force upon signature thereof by the President of the Council of Ministers of Italy, and by the Supreme Allied Commander in Italy duly authorized thereto by the Governments of the United States, United Kingdom, Union of Soviet Socialist Republics and France and shall remain in force until superseded by other arrangements or until the coming into force of the Peace Treaty with Italy."

The agreement revising the armistice terms will be signed by the Supreme Allied Commander and the Italian Government at the same time as two supplementary agreements between the United States and Italy and the United Kingdom and Italy respectively regarding the maintenance of Allied troops in this country. These supplementary agreements will be negotiated with the Italian Government and I understand that they are, for your information, similar to the agreements which the British Government concluded with the United States Government in London during the war for similar purposes and recently with certain Allied Governments since the liberation of Western Europe in connection with British lines of communication with Germany and Austria.

The only other development of importance during this period was the proclamation of King Umberto II on June 1st. This statement came as the climax to a week of great activity on the part of all Monarchist sympathizers. The King himself was in the vanguard making appearances in Salerno, on May 28th, Catania, Messina and Reggio Calabria. On May 31st he was in Genoa and on June 1st he appeared in Milan and Venice where his presence is reported to have been variously received. In his statement of June 1st, His Majesty spoke with sympathy of the voter's personal attempts to do his duty in the present crisis and he reiterated his pledge to accept the results of the referendum. He stated that he would ask the supporters of the Monarchy also to respect the decision of the majority without reservation." The King then went on to say that, should the referendum show that the majority of the people was in

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people

people might suggest. By that time feelings would have calmed down and many Italians who were now perplexed would have had time to make a mature choice. Signor Togliatti, writing in the Unità on June 1st, immediately branded the King's statement as "a last attempt to confuse people who are still uncertain." He said that, even in the event of a Monarchist victory, King Umberto would not automatically ascend the throne but would have to abide by the decision of the Constituent Assembly on the selection of the Head of the State. As for a second referendum, the Communist leader declared, somewhat in-cautiously, that the electors had had enough electoral campaigns.

The elections themselves were held throughout Italy except in Venezia Giulia and Boizano Province on June 2nd and 3rd. According to all reliable accounts they passed off without incident. The poll seems to have been particularly heavy and it is expected that abstentions will prove to be low.

The voting procedure seems to have been rather slow at first in the big centres where the electors often had to wait four or five or six hours before their turn came. Nevertheless, despite the long waits there appears to have been no unpleasantness apart from a little mild grumbling. The electors appear to have been duly impressed by the seriousness of the decision that they were taking and discharged their duty with a high sense of political decorum.

As regards the results of the voting, the position as at the time of writing (June 6th) is as follows. Out of 35,318 electoral precincts, the ballots of 34,875 have been scrutinized. This scrutiny shows the following distribution of votes throughout the country:

Christian Democrats	8,049,101
Socialists	4,696,490
Communists	4,294,875
National Democratic Union	1,535,546
Italian Republican Party	998,091
Uomo Qualunque Party	1,201,773
Action Party	334,935
Liberty Bloc	632,536
Democratic Republican Concentration	94,464
Unionist Movement	71,902
Christian Social Party	51,673
Other lists	830,525
TOTAL	22,791,911

It is estimated that 25,000 ballots have still to be scrutinized.

The results of the referendum on the institutional question have not been officially published as they were received at the Ministry of the Interior but have been collated for general publication. This proclamation may take place on Saturday. The unofficial results show a victory for the republic by a plurality of over two million.

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That, Gentlemen, concludes my report."

The Chairman thanked the Brigadier for having presented the report and inquired whether any of the members of the Council wished to make any comment thereon.

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(b) Discussion

Dr. Smodlaka referred to the new armistice mentioned in Admiral Stone's report and inquired when it would be signed.

Brigadier Lush stated that this depended on the two supplementary agreements to be concluded.

Dr. Smodlaka asked whether these agreements were about to be finished or to be initiated.

Brigadier Lush stated that he thought the Representatives of the United Kingdom and of the United States might know the present status of these contemplated agreements.

Mr. Halford stated that the British agreement had been received but that, he understood, the U.S. agreement was in process of completion.

Mr. Goshie stated that he had no information regarding the status of these negotiations.

2. "Statement of the Soviet Union Representative regarding Discontinuance of Provision of Funds by the Combined Chiefs of Staff to the Soviet Delegation and Reimbursement for past Advances."

The Chairman reported that in accordance with the Council's agreement, reached at the last meeting, copies of the minutes during which the Council had discussed this subject were forwarded to SACMED on June 5, 1946 (copy of transmitting letter is attached). He then inquired whether any of the Representatives wished to make any statement on this subject which had been included on today's agenda at the request of the Soviet Union Representative.

The Soviet Union Representative stated that he felt it would be advisable to leave the item on the agenda because an answer from SACMED to whom the matter had been referred had not yet been received, and, besides, no final decision on the question had been taken by the Council.

Mr. Goshie stated that the letter sent to SACMED merely transmitted to SACMED, for his information, copies of the meetings during which the subject was discussed and that a reply to this letter was not expected.

Colonel Savko said that in this case the Advisory Council must make a proper decision regarding this question.

Mr. Goshie stated that the function of the Council was to make recommendations and that it was not up to the Council to take a decision in the premises. He added that the views of the Representatives had been expressed in former meetings but, he thought, that the Council did not reach a common ground on the question.

Colonel Savko expressed the opinion that the item should remain

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Colonel Savko expressed the opinion that the item should remain on the agenda.

Dr. Smodlaka was of the same opinion and said that some of the Governments represented on the Council might change their views.

Mr.

Mr. Halford stated that he had nothing to add to Sir Noel Charles' earlier statements and that the views of the various governments were already well known to the Council. A decision could only be reached therefore at Government level.

Mr. Exintaris stated that for the time being he too had nothing to add to his former statements.

Mr. Gashie noted that as he understood the problem, there were two basic questions: 1) the discontinuance of lire advances and 2) the reimbursement of past advances. The Chairman summarized the positions of the various Delegations as follows: the position of the United States Delegation, as indicated in its statement submitted during the 50th meeting of the Council, was that it is willing to support a request to SACMED recommending that limited advances to the Advisory Council be authorized for the disbursement of administrative expenses common to the Council. The British Delegation expressed support of this position. The French Delegation has stated that it considered its interests too small in this connection and that therefore it did not wish to have its point of view taken into consideration. The views of the Soviet Union and the Yugoslav Delegations are that they do not wish to make reimbursement of past advances and that they desire further advances.

The Chairman ascertained that it was the desire of the Council to leave the item on the agenda for the time being.

3. "Restitution by the Italian Government of Yugoslav Property taken by Italian Fascist Authorities, included the Yugoslav Sunken Ships, which should be salvaged and repaired at the Expenses of the Italian Government."

The Chairman reported that in accordance with the Council's agreement reached at the last meeting a letter had been sent to SACMED (copy of letter attached hereto) and that a reply thereto had been received from AFHQ (copy of reply attached). He then inquired whether any of the Representatives had received instructions on the subject.

Dr. Smodlaka said that he would like to make another statement regarding this subject:

"1. I have the honour to state on behalf of the Government of the Federal People's Republic of Jugoslavia that my Government did not include in their claim for reparations the objects whose restitution is being requested. This is one more reason that the salvage and repair of the ships should be included in the Italian restitutions. The Yugoslav Government insist on their request that orders be issued to the Italian Government by the Allied Military Authorities to reconstitute all objects taken away from Jugoslavia as well as to salvage and repair on their expense all ships. Only in exceptional cases, if the Italian Government would not have the material possibility to comply with certain claims for restitutions, the Yugoslav Government retain their right to claim that each singular object be paid for, apart from the general account of the

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"1. I have the honour to state on behalf of the Government of the Federal People's Republic of Yugoslavia that my Government did not include in their claim for reparations the objects whose restitution is being requested. This is one more reason that the salvage and repair of the ships should be included in the Italian restitutions. The Yugoslav Government insist on their request that orders be issued to the Italian Government by the Allied Military Authorities to reconstitute all objects taken away from Yugoslavia as well as to salvage and repair on their expense all ships. Only in exceptional cases, if the Italian Government would not have the material possibility to comply with certain claims for restitutions, the Yugoslav Government retain their right to claim that each singular object be paid for, apart from the general account of the reparations.

This point of view of the Yugoslav Government has already been communicated to the Governments of the United States, Soviet Union, United Kingdom and France through diplomatic channels.

2. I am afraid I am quite unable to agree with Maj.Gen.M.W.M. MacLeod's interpretation of the Armistice Terms. Furthermore, I have

have to point out that Sir Neel Charles as Chairman in turn of rotation had requested in name of the Advisory Council for Italy from SACMED a report on the facts of the case, whereas Maj.Gen. Macleod who replied to it: did not present a report on the facts, but merely a report on my statement of 10 May. I. is therefore considered necessary that a report from SAC be requested again by A.C.I. (as stated below, para 5 of this statement).

3. The assertion of Maj.Gen.Macleod that "the Armistice Terms contain no provisions for the restoration of plundered property" is without foundation. Beside, the special disposition of the Art. 15, according to which Italy is bound to reconstitute the ships, a general measure is explicitly foreseen in the Art. 23A for all objects, without discrimination, that "the Italian Government will comply with such directions as the United Nations may prescribe regarding restitution . . .". Consequently, it is clear that the United Nations are entitled to obtain the restitution of the plundered property just on basis of the Armistice.

According to the Protocol of 9 November 1945 ("Additional Conditions of the Armistice") the armistice was concluded by the United States and the United Kingdom Governments acting in the interest of all the United Nations" and "on behalf of the United Nations". The Federal People's Republic of Jugoslavia is a member of the United Nations, and she also had given her previous written agreement that the Armistice may be concluded in her name too. So the Armistice was concluded also in the name and interest of Jugoslavia who is fully entitled to demand on basis of Art 15 and 33 A of the Armistice that the Allied Authorities, who are supervising the accomplishment of the Armistice, enforce the restitution of the Jugoslav plundered property by the Italian Government.

The non-accomplishment of this claim would - in contradiction to the Armistice - mean the same as giving permission to Italy who was an Axis State and enemy until yesterday, to continue her using the property plundered from Jugoslavia by the Italian Fascist Invaders. This would be the greatest injustice toward Jugoslavia who is an Allied Nation and the main victim of the Italian aggression and whose sacrifices for the victory of the United Nations in the war against Nazi-Fascism were so great.

4. As ships are concerned, the Government of the Federal People's Republic of Jugoslavia has the full right to claim from the Italian Government not only their restitution but also the salvage and repair of the sunken ships, because the Italian Authorities who had taken Jugoslav ships and used them for their purposes during the war time are responsible for the sinking of these ships. Besides that, the restitution of sunken ships, to which we are entitled anyhow, cannot be performed without previous salvage and repair. The Italian Government is also obliged by Art. 15 of the Armistice to repair at their expense all ships claimed whether they be floating or sunk, because Art. 15 of the Armistice states explicitly that "United Nations merchant ships, fishing and other craft in Italian hands wherever they may be . . ."

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contain no provisions for the special disposition of the Art. 15, without foundation. Beside, the special disposition of the Art. 15, according to which Italy is bound to restitute the ships, a general measure is explicitly foreseen in the Art. 33A for all objects, without discrimination, that "the Italian Government will comply with such directions as the United Nations may prescribe regarding restitution". Consequently, it is clear that the United Nations are entitled to obtain the restitution of the plundered property just on basis of the Armistice.

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5. I enclose to this statement, as a part of the same, a copy of my letter of 5 June 1946 written to the Chief Commissioner A.C. Rear Admiral E.W. Stone, where all objects, whose restitution we requested up to day, are quoted with the most important details and reference numbers. In this letter is clearly shown too which ships of ours are still used by Italy at present in spite of the fact that Italy was bound to restitute them according to Art. 15 of the Armistice.

I suggest that the Council ask SACRED for a report on the facts of every case presented therein.

Since the Yugoslav Delegation has clearly requested the restitutions from the Italian Government through the Allied Commission and the Italian Government did not reconstitute the objects taken away, it is obvious that the Italian Government did not comply with the Armistice Terms toward Yugoslavia.

6. In order to clarify the points of view of the Allied Authorities in connection with the question of restitutions, I take the liberty to quote here the Communiqué of the Italian Ministero dell'Industria of 22 May 1946 as it was published by the News agency ANSA:

"PER IL RICUPERO DEGLI IMPIANTI INDUSTRIALI ASPORTATI.

Roma, 22 - Il Ministero dell'Industria comunica: "Da tempo il Governo italiano si è vivamente interessato presso le autorità alleate per ottenere il ricupero degli impianti e macchinari industriali asportati dai tedeschi e trasferiti oltre frontiera dal settembre 1943. L'interessamento del Governo ha già ottenuto notevoli risultati data comprensione dimostrata dal Governo degli Stati Uniti che, in attesa di accordi con le altre potenze occupanti la Germania e l'Austria, ha già dato istruzioni di predisporre un programma di restituzione dei beni industriali ed ha invitato il nostro Governo a sottoporgli le liste relative al fine di individuare il materiale stesso. Vi è motivo di sperare che analoghe disposizioni potranno essere adottate dal Governo inglese. Tenuto presente quanto sopra, il Ministero dell'Industria ha deciso di raccogliere tutti i dati opportuni. Le ditte interessate sono pregate quindi di ritirare con la massima urgenza presso le Unioni Industriali, i moduli predisposti e ritomarli compilati o al predetto Ministero o all'Ufficio Recupero Impianti Asportati in Germania (U.R.I.A.G.) appositamente costituito in Roma via Gaeta 3"

If the assertions of this Communiqué are correct and if the Allies are taking steps to reconstitute to Italy the property taken away by the Germans notwithstanding that Italy has not the right to demand it on basis of any Agreement, then the statement of Maj. Gen. MacLeod that "the United Nations have given no direction to the Italian Government relevant to the matter under discussion", i.e. restitution by the Italian Government of property claimed by Yugoslavia, appears astonishing. I cannot believe that the Allies might refuse their assistance as regards restitutions to their Ally Yugoslavia who is entitled by the Armistice to her claims, if at the same time and in the identical question they are ready to support Italy, their enemy up to yesterday, and who has no juridical basis for her claims.

Therefore, if the Allied Military Authorities did not take any steps as yet in order to enforce the restitution by Italy of the Yugoslav plundered property, I must presume that the reason for it was the mistake and lack of information of the subaltern organs. The cor-

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7. Since the Italian Government has no right to use any longer the property plundered in Jugoslavia by the Italian Fascist Invaders and

and since Yugoslavia is entitled to obtain the restitution of her property on basis of the Armistice - I, on behalf of the Yugoslav Government and most energetically

- (A) protest again against the non-accomplishment of the Terms of the Armistice by the Italian Government toward Yugoslavia since they did not reconstitute the property plundered from Yugoslavia;
- (B) propose what the Advisory Council for Italy may recommend to the Supreme Allied Commander to take necessary steps in order to bid the Italian Government to reconstitute all property claimed by the Federal People's Republic of Yugoslavia and especially the Yugoslav sunken ships, which should be salvaged and repaired immediately and on expenses of the Italian Government.

8. As the ships and other plundered property are urgently needed for the reconstruction of our Country destroyed by Fascists I request that the next meeting be held in 14 days in case that a favorable solution of the subject cannot be obtained during the present meeting.

Pov. br. 608/46

5 June 1946

Dear Admiral,

Enclosed find please the lists of vessels and other property plundered in Yugoslavia by the Italian Fascist Occupants, the restitution of which had already been requested through the Allied Commission. The enclosed lists contain short descriptions of objects and the most important details as well as the references of our requests and the replies of the Allied Commission where available.

Some ships, requested by us at earlier dates, but whose location at the present time is rather query, are not contained in the submitted list. We nevertheless retain our right to solicit their restitution again later on.

Furthermore I would like to emphasize that only a part of vessels and a very restricted number of other plundered property has been requested by us as yet, and we shall continue to submit our further applications as soon as we shall receive them from the Yugoslav Government.

I am applying to you on behalf of the Government of the Federal People's Republic of Yugoslavia that instructions may be issued to the officials of the Allied Commission in order that necessary steps be taken for enforcing the compliance of the requests for restitutions contained in our lists, considering that Yugoslavia is entitled to it according to the Armistice Terms.

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slavia since they did not retribute the property plundered from Jugoslavia;

(B) propose what the Advisory Council for Italy may recommend to the Supreme Allied Commander to take necessary steps in order to bid the Italian Government to retribute all property claimed by the Marshal People's Republic of Jugoslavia and especially the Jugoslav sunken ships, which should be salvaged and repaired immediately and on expenses of the Italian Government.

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Believe me, dear Admiral,

Very truly yours

Encl.

(Signed) Dr. Sloven J. Smolaka
Acting Representative of Jugoslavia
Advisory Council for Italy

Rear Admiral Ellery W. Stone,
Chief Commissioner
Allied Commission

LIST OF JUGOSLAV VESSELS, TAKEN BY ITALIANS, WHOSE RESTITUTION WAS REQUESTED THROUGH ALLIED COMMISSION

A) SUNKEN SHIPS

- 1. S/S JURAJ SUBIC, Gross Tonnage 105,37; Nett 52,57, Registered at the Port of Split. Name was changed by the Italians in SAE. Sunk in Civitavecchia. Requested through A.C. Ref. Br.224/46 of 16 Feb. 46, and 766/46 of 4 June 1946.
- 2. S/S JUGOSLAVIJA, Gross Tonnage 1275, owner "Jadranska Plovidba d." Susak; sunk at Leghorn. Requested through A.C.: Ref. Br.1554 of 13 Nov. 1945; Br.225/46 of 16 February 1946, Br.412/46 of 4 April 1946. Replies of A.C. N.S.C.: Ref.NSC/4875 of 9 April 1946; NSC/4901 of 12 April 1946 (both dealing with the delay of measures for blowing up the vessel) and NSC/4874 of 9 April 1946 (negative reply regarding the salvage and repair of the ship).
- 3. Yacht TIHA, Gross Tonnage 466; owner "Jugoslavenski Lloyd", sunk in Leghorn. Requested through A.C.: Ref. Br.225/46 of 16 Feb. 1946, Br. 1554 of 13 Nov. 1945; Br. 412/46 of 4 April 1946. Replies of A.C. N.S.C. (same as for JUGOSLAVIJA)
- 4. S/S SOCA, Gross Tonnage 545; owner "Jadranska Plovidba d. Susak", sunk in Venice (La Marittima). Requested through A.C.:Ref. Br. 1554 of 13 Nov. 1945 and 225/46 of 16 February 1946 and Br. 765/46 of 4 June 1946. Reply of A.C. N.S.C.: NSC/4874 of 9 April 1946 (negative).
- 5. S/S SARAJEVO, Gross Tonnage 479; owner "Jadranska Plovidba d. Susak"; sunk near Messina, on 14.8.43. Requested through A.C.:Ref. Br.1554 of 13 Nov. 1945, Br. 225/46 of 16 February 1946 and 765/46 of 4 June 1946. Reply of A.C.: Same as No4.
- 6. S/S TOPOLA, Gross Tonnage 254; owner "Jadranska Plovidba d. Susak"; sunk near Messina on 14.8.43. Requested through A.C.:Ref. same as No 4 and 5. Reply of A.C.: Same as No 4 and 5.
- 7. S/S DUEROVNIK, Gross Tonnage 1036, owner "Dubrovacka Plovidba d.d. Dubrovnik"; sunk at Chioggia near Venice on 11.9.43. Requested: Same as No 4-6. Reply of A.C.: Same as No4-6.
- 8. S/S DRAVA (GIOVANNI INGRAO), Gross Tonnage 198. Sunk at Pianosa (Porto-

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Requested through A.C. Ref. Br. 224/46 of 16 Feb. 45, and 766/46 of 4 June 1945.

- 2. S/S JUGOSLAVIJA, Gross Tonnage 1275, owner "Jadranska Plovidba d." Susak; sunk at Leghorn. Requested through A.C.: Ref. Br. 1554 of 13 Nov. 1945; Br. 225/46 of 16 February 1946, Br. 412/46 of 4 April 1946. Replies of A.C. N.S.C.: Ref. MSC/4975 of 9 April 1946; MSC/4901 of 12 April 1946 (both dealing with the delay of measures for blowing up the vessel) and NSU/4974 of 9 April 1946 (negative reply regarding the salvage and repair of the ship).
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- 7. S/S DUBROVNIK, Gross Tonnage 1036, owner "Dubrovačka Plovidba d.d. Dubrovnik"; sunk at Chioggia near Venice on 11.9.43. Requested: Same as No 4-6. Reply of A.C.: Same as No 4-6.
- 8. S/S DRAVA (GIOVANNI INGRAO), Gross Tonnage 198. Sunk at Pianosa (Porto ferrajo) on 30 January 1944. Requested through A.C. N.S.C.: Ref. 768/46 of 4 June 1946.
- 9. S/S UNA, Gross Tonnage 198; sunk on 11th Oct. 1942 South of Capri. Requested: Same as No 8.
- 10. Schooner ALDA, Gross Tonnage 88; Sunk at Porto S. Sebastiano after 8th Sept. 1943. Requested: Same as above No 8-9.

B.

B) OTHER VESSELS

- 11. S/S UCKA (Monte Maggiore), Gross Tonnage 142; owner "Jadranska Plovidba d.d. Susak"; actually located in the Port of Civitavecchia, damaged, floating. Requested through A.C. N.S.C.: Ref.Br.1551 of 13 Nov. 1945. Reply of A.C.: Ref. MSC/4280 of 18 Dec. 1945 (negative). Requested again on 4 June 1946, ref. Br.769/46.
- 12. M/S BUDDMIR
Gross Tonnage 8, DW 20 Tons; owner Fazanin Jerko; motor Diesel Deuz 25 HP. The Schooner is actually used by the Italian PUZZONI Ernesto, Rimini, Via Sinistra del Porto, who has declared that he was ready to hand it over as soon as he will receive orders to do so. The name was changed to GALLO. Requested through A.C. N.S.C.:Ref.Br.226/46 of 16 Feb. 1946 and Br. 775/46 of 5 June 1946. No reply received.
- 13. M/V VILA (NINFA)
Gross Tonnage 40; taken by the Italians on 8 Sept. 1943; owner Franc Antun & Co, Kastel Luksic (Split); Actually the vessel is located in Venice (basis of the Arsenal), whereas its motor MAN 60 HP is used in a private Italian workshop. Requested through A.C. N.S.C.: Ref.Br.590/46 of 4 May 1946 and Br. 627/46 of 14 May 1946. No reply.
- 14. Trawler Br.2 (ARBE), constructed in Vienna in 1902 by Schimmelbusch. Steam engine 100 HP indicated dimensions 23 x 7 x 3. Taken by the Italians in April 41 from Rab. In May 1945 was in Grado and is still used by the Italian Servizio Escavazioni Porti Marittimi, Sezione Autonoma di Venezia, Ministero dei Lavori Pubblici. Requested through A.C. N.S.C.:Ref.Br.227/46 of 16 Feb. 1946 and Br. 442/46 of 8 April 1946. Reply of A.C.:MSC/4354 of 27 April 1946 (negative as regards the cost of the repair). Requested again on 5 July 1946 Ref. Br.789/46. 82
- 15. Trawler Br.4 (JUNO), constructed in 1931 at Treviso. Dimensions 34 x 7,3 x 2,8; sea engine Yarrow; 137,8 m² heating surface. It is supposed that the Italians made the vessel longer for some meters. It was taken by the Italians in June 1943 to Venice. Ing. Somma, Director of the Servizio Autonomo Escavazioni Porti, Venice, confirmed after the end of the war that the trawler was Yugoslav property. Requested through A.C. N.S.C.: Ref.Br.228/46 of 16.2.46; Br. 443/46 of 9.4.46 and 5 June 1946, Br. 769/46. No reply.
- 16. Tugboat BOJANA (ZARA), Gross Tonnage 42 (nett 10), dimensions 22,7 x 8,9 x 9 m. Steam engine: compound vertical 10 HP

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- 12. M/S BUDDIMIR
Gross Tonnage 8, DW 20 Tons; owner Pazanin Jerko; motor Diesel Deuz 25 HP. The Schooner is actually used by the Italian PUZZONI Ernesto, Rimini, Via Sinistra del Porto, who has declared that he was ready to hand it over as soon as he will receive orders to do so. The name was changed to GALLO. Requested through A.C. N.S.C.:Ref.Br.226/46 of 16 Feb. 1946 and Br. 775/46 of 5 June 1946. No reply received.
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- 16. Tugboat BOJANA (ZARA), Gross Tonnage 42 (nett 10), dimensions 22,7 x 3,9 x 2 m. Steam engine: compound vertical, 10 HP nominal, 2 cylinders; boiler:normal cilindric, one stove. The vessel is built in wood. It was taken by the Italians on 28 April 1941 from the Yugoslav island Rab. At present the vessel is used by the Italian Ministero dei Lavori Pubblici, Servizio Escavazioni Porti Marittimi. Requested through A.C. N.S.C.: Ref.Br.444/46 of 9 April 1946 and Br. 789/46 of 5 June 1946. No reply.

- 17. Tugboat J.P. I. Gross Tonnage 17,75, Nett 3,38; owner "Jadranska Flovidba d.d.Susak". Taken by the Italian Ministry of Marine during the Italian Occupation in Jugoslavia. Requested through A.C. N.S.C.:Ref.Br.224/46 of 16 February 1946 and Br. 756/45 of 4 June 1946. No reply.
- 18. S/S BISTRICA (Teodc), Gross Tonnage 144,89, Nett 79,04, constructed in 1905 by U.M.Martinolic, Losinj Mali. Taken by the Italians on 8 Sept. 1943 at Tivat Jugoslavia. Owner: "Zetska Flovidba a.d.Cetinje". Requested through the Allied Commission N.S.C.:Ref.Br.586/46 of 3 May 1946. No reply.
- 19. S/S AVALA (PERASTO), Gross Tonnage 163,77, Nett 80,41, constructed in 1902 by Lobnitz & Co Renfrew. Requisitioned by the Italian Ministry of Marine on 24 Nov. 1941. Before the capitulation of Italy it was used as a coaster in Greece by Gastaldi & Co, Genoa. Requested through A.C. N.S.C.: Ref.Br.586/46 of 3 May 1946. No reply.
- 20. S/S ZERMANJA (ISTO), Gross Tonnage 100,11; Regt.Port Sibenik. Taken by the Italians during the occupation. Requested through A.C. N.S.C.:Ref.Br.224/46 of 16 Feb.1946 and Br.756/46 of 4 June 1946. No reply.
- 21. M/V USEPOMENA (RICORDO) DW 100 Tons; dimensions:19 x 5,85 x 1,80 m. constructed in 1942 in Sibenik;engine:Diesel MAN 100 HP; owner:Travica Dragutin, Port of Regt.Mrljane. The ship was taken by the Italians on 10 Sept. 1943 from Rijeka to Ravenna. Requested through A.C. N.S.C.: Ref.Br.733/46 of 1 June 1946.
- 22. M/V ISTOK II, Gross Tonnage 65,DW 150,Nett 47;dimensions:19¹⁶⁹81 x 5,65 x 2,82 m. Constructed at Palestrini, reconstructed at Trogir in 1920;engine:Linz 36 HP;owner: Blagajic Berislav;Port of Regt.Rogac. The ship was taken by the Italian Army in 1943; captured by the Germans on the way to Ancona, it was used later as a patrol boat around Pola. Requested through A.C. N.S.C.:Ref.Br.733/46 of 1 June 1946.
- 23. M/V VILA Gross Tonnage 100,DW 180,Nett 70;engine Seni Diesel 50 HP; Owner:Kozulic Dinko. Port of Regt.Ist. The ship was taken by the Italians in 1943 to Venice and according to some informations it is actually in Italian service at Ancona. Requested: Same as No 22.
- 24. M/V MIRAMAR Gross Tonnage 16,5,DW 40,Nett 10;dimensions: 1650 x

18. S/S BISTRICA (Teodo), Gross Tonnage 144.86, Nett 78.04, constructed in 1905 by U.M.Martinolic, Losinj Mali. Taken by the Italians on 8 Sept. 1943 at Tivat Jugoslavia. Owner: "Zetska Plovidba a.d.Cetinje". Requested through the Allied Commission N.S.C.:Ref.Br.586/46 of 3 May 1946. No reply.

19. S/S AVALA (PERASTO), Gross Tonnage 163.77, Nett 80.41, constructed in 1902 by Lobnitz & Co Renfrew. Requisitioned by the Italian Ministry of Marine on 24 Nov. 1941. Before the capitulation of Italy it was used as a coaster in Greece by Gastaldi & Co, Genoa. Requested through A.C. N.S.C.: Ref.Br.566/46 of 3 May 1946. No reply.

20. S/S ZRMANJA (ISTO), Gross Tonnage 100.11; Regt.Port Sibenik. Taken by the Italians during the occupation. Requested through A.C. N.S.C.:Ref.Br.224/46 of 16 Feb.1946 and Br.766/46 of 4 June 1946. No reply.

21. M/V USPOJENA (RICORDO) DW 100 Tons; dimensions:19 x 5,85 x 1.80 m. constructed in 1942 in Sibenik;engine:Diesel MAN 100 HP; owner:Travica Dragutin, Port of Regt.Mrljane. The ship was taken by the Italians on 10 Sept. 1943 from Rijeka to Ravenna. Requested through A.C. N.S.C.: Ref.Br.733/46 of 1 June 1946.

22. M/V ISTOK II, Gross Tonnage 65,DW 150,Nett 47;dimensions:19¹⁶⁹8 x 5.65 x 2.82 m. Constructed at Palestrini, reconstructed at Trogir in 1920;engine:Linz 36 HP;owner: Blagajic Berislav;Port of Regt.Regae. The ship was taken by the Italian Army in 1943; captured by the Germans on the way to Ancona, it was used later as a patrol boat around Pola. Requested through A.C. N.S.C.:Ref.Br.733/46 of 1 June 1946.

23. M/V VILA, Gross Tonnage 100,DW 180,Nett 70;engine Semi Diesel 50 HP; Owner:Kozulic Dinko. Port of Regt.Ist. The ship was taken by the Italians in 1943 to Venice and according to some informations it is actually in Italian service at Ancona. Requested: Same as No 22.

24. M/V MIRJAN, Gross Tonnage 16,5,DW 40,Nett 10;dimensions: 1650 x 3.55 x 1.85 m.; engine Diesel MAN 75 HP; constructed in 1919 at Losinj Mali;owner: Bonacic Proti Ivan; Port of Regt.Milna. The ship was taken by Italian soldiers on 11 Sept.1943 from Split to Porto Gabice a Mare near Fano. Requested: Same as No 22,23.

25. M/V MARJAN, Gross Tonnage 65.02,DW 120,Nett 36.43;dimensions: 23.25 x 5.60 x 2.34; constructed in 1939;engine: Diesel MAN 100 HP; owner:Vela Ivan;Port of Regt. Podgora. The ship was taken by the Germans from Split on 20 Oct.1944 and employed later by them between Ancona and Trieste. Requested: Same as No 22 - 24.

26. Custom Patrol Boats MB 32 and MB 38, engine 6 cylinders; make Gurtner. Taken by the Italian Occupant Authorities in Jugoslavia. At present the ships are anchored at Bari, Porto Vecchio, one has got the crew on it, the other one is empty. The sailors confirmed that the ships were "navi slave". They are used by the Regia Guardia di Finanza. Requested through A.C. N.S.C.: Ref.Br.767/46 of 4 June 1946.

27. Yugoslav custom ships taken by the Italian Occupant Authorities from Jugoslavia during the war:
 (a) M/B MILOŠ CRILIC, KRALJEVIC MAREŠO, SENJANIN IVO, JUC BOGDAN, VUK MANDUSIC, NEZMANI JUNAK;
 (b) 10 Motor Boats: A, B, C, D, E, F, G, H, K, L.
 (c) 15 Motor Boats: 2, 4, 7, 9, 11, 12, 13, 14, 15, 16, 17, 19, 23;
 (d) Motor Boats MC 21, MC 22, MC 24, ZTAJ;
 (e) 51 Patrol Boats: P.C.1 - 26, 28 - 51, 55 - 57.
 (f) 16 Coastal Boats: O.C. 1-8, 10-13, 18, 19, 23, 27.
 (g) 2 Diesel-flinder spare engines and a lot of spare parts and various materials from the Custom Warehouse in Split. Requested: Br.767/46 of 4 June 1946.

JUGOSLAV PROPERTY PLUNDERED BY ITALIANS, WHOSE RESTITUTION WAS REQUESTED THROUGH ALLIED COMMISSION

1. 9 Machines taken from the Tobacco Factory in Ljubljana, 6 of which were transferred to Bologna in 1941 and 3 to Perugia in 1943. Restitution requested through A.C.: Ref.Pov.br.1132/45 of 18 August 1945. Reply: Ref AC/5622/IND of 8 Feb.1946 (negative) Requested again our Ref.Br.776/46 of 5 June 1946.
2. Machines and tools for the building industry taken from Slovenia by the Italian firm S.A.I.S.T., ing. Trifiletti, Milan in April 1942 (3 Stone Mills, 2 Compressors "Ingersoll-Rand" for two hammers, 2 Road Rollers, type "KAMBLE" of 9 tons, 2 trucks 5 tons (different tools). Requested through A.C.: Ref.Br.1519 of 5 Nov.1945, and Br.778/46 of 5 June 1946. No reply.
3. 13 Mail Waggon of the Yugoslav Railway. Requested through A.C.: Ref. Pov.br.608/45 of 15 May 1945. Reply Ref. 333/6/IN 4 (Economic Section A.C.)-Negative. Requested again: Ref.Br.779/46 of 5 June 1946.
4. Engines and materials of the factory RCTSA (Raffinerie Olii Minerali S.A.) from Rijeka (Fiume); Engines type Edeleanu transferred to Moggio Udinese by orders of the German Authorities. Parts of new Pipesile, sent by Breda, in Venice. Requested through A.C.: Ref.Br.1263 of 4 Sept.1945, br.1414 of 14 Oct.1945, br. 1510 of 4 Nov.1945 and 780/46 of 5 June 1946. No reply.

Guardia di Finanza. Requested through A.C.:Ref. Br. 767/46 of 4 June 1946.

- 27. Yugoslav custom ships taken by the Italian Occupant Authorities from Yugoslavia during the war:
 - (a) M/3 MILOŠ OBILIĆ, BRALJEVIĆ MARKO, SEMJANIN IVO, JUB BOJAN, VUK MANDUŠIĆ, NEŽMANI JUMAK;
 - (b) 10 Motor Boats: A, B, C, D, E, F, G, H, K, L.
 - (c) 15 Motor Boats: 2, 4, 7, 9, 11, 12, 13, 14, 15, 16, 17, 19, 23;
 - (d) Motor Boats MC 21, MG 22, MC 24, ZMAJ;
 - (e) 51 Patrol Boats: P.C.1 - 26, 28 - 51, 55 - 57.
 - (f) 16 Coastal Boats: C.C. 1-8, 10-13, 18, 19, 23, 27.
 - (g) 2 Diesel-flinder spare engines and a lot of spare parts and various materials from the Custom Warehouse in Split. Requested: Br. 767/46 of 4 June 1946.

YUGOSLAV PROPERTY PLUNDERED BY ITALIANS, WHOSE RESTITUTION WAS REQUESTED THROUGH ALLIED COMMISSION

1. 9 Machines taken from the Tobacco Factory in Ljubljana, 6 of which were transferred to Bologna in 1941 and 3 to Perugia in 1943. Restitution requested through A.C.:Ref. Pov.br. 1132/45 of 18 August 1945. Reply: Ref AC/5622/IND of 8 Feb. 1946 (negative) Requested again our Ref. Br. 776/46 of 5 June 1946.

2. Machines and tools for the building industry taken from Slovenia by the Italian firm S.A.I.S.T., ing. Trifiletti, Milan in April 1942 (3 Stone Mills, 2 Compressors "Ingersoll-Rand" for two hammers, 2 Road Rollers, type "KABELER" of 9 tons, 2 trucks 5 tons (different tools). Requested through A.C.:Ref. Br. 1519 of 5 Nov. 1945, and Br. 778/46 of 5 June 1946. No reply.

3. 13 Mail Waggon of the Yugoslav Railway. Requested through A.C.:Ref. Pov.br. 608/45 of 15 May 1945. Reply Ref. 333/6/TN 4 (Economic Section A.C.)-Negative. Requested again: Ref. Br. 779/46 of 5 June 1946.

4. Engines and materials of the factory RONSA (Raffinerie Olii Minerali S.A.) from Rijeka (Fiume); Engines type Edeleanu transferred to Meggio Uginese by orders of the German Authorities. Parts of new Pipesile, sent by Breda, in Venice. Requested through A.C.:Ref. Br. 1263 of 4 Sept. 1945, br. 1414 of 14 Oct. 1945, br. 1510 of 4 Nov. 1945 and 780/46 of 5 June 1946. No reply.

5. Property plundered by the Italian Brigadiere of the Carabinieri Albanesi Lorenzo (living actually in Rome, via Pietralata 487 or at San Martino di Lisciano, prov. Ascoli Piceno) at Izverje (Ljubljana); 1 radio set, 1 harmonium, Porcelain service, 3 gold watches, 1 ring, 1 cigarette box and other silver objects. Owner: R. Fajdiga. Requested through A.C.:Ref. Br. 1578 of 5 Nov. 1945 and Br. 781/46 of 5 June 1946. No reply.

6. The Yugoslav Insurance Co "Jugoslavija", insurance contracts, belonging to the Branches of the Co in Ljubljana & Split, transferred to the Italian "Istituto Nazionale delle Assicurazioni". Requested through A.C.:Ref.732/46 of 5 June 1946.
7. Stamps and Postcards in value of 12 millions Yugoslav pre-war Dinars, sequestered from the Direction of the Postal Administration in Ljubljana and transferred to Rome General Postal Direction. Requested through the A.C.:Ref.Br.763/46 of 5 June 1946.
8. Material for the construction of the Railway Crumelj-Vrbovsko in total value of 13 millions Yugoslav pre-war Dinars, transferred in various parts of Italy. Requested through A.C.:Ref.Br. 784/46.
9. Yugoslav Bank "Drzavna Hipotekarna Banka" - bonds and other valuable papers sequestered from the Branches of the bank in Zagreb, Banjaluka, Cetinje and Split in total amount of 135,376.494.10 Yugoslav pre-war Dinars, transferred to the Banca d'Italia. Requested through A.C.:Ref Br.765/46 of 5 June 1946.
10. Machine "Grosswacht", property of the dockyard in Split, transferred to Messina in December 1942.
Requested through A.C.:Ref.Br.772/46 of 4 June 1946.
11. Archives of the District Court in Kotor (period 1326-1798). Taken by Prof. G.Cencetti, inspector of the Archives in Rome; transferred to Venice on 8 Sept.1943.
Requested through A.C.:Ref.Br.623/46 of 13 May 1946.
12. Archives of Sibenik,Trogir,Korcula,Sv.Jakob convent in Dubrovnik, Benedictinian Convent on Lokrum,Zadar,Lastovo (included the Statute of Lastovo in parchment) and Rijeka, transferred in Italy during the Fascist Italian Occupation.
Requested through A.C.:Ref.Br.773/46 of 4 June 1946.
13. Objects plundered from the Gallery of Fine Arts in Split: 3 paintings and 1 plaster, taken in April 1943 by Fulvio Vetraino for the Exhibition in Rome. 3 paintings taken by the ex-prefect of Split Paolo Zerbino. Requested: Same as No12.
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14. 2 paintings taken from the church at Lastovo by Gino Clavari, one of Francesco Bissoio and the other of Girolamo di Santa Croce.
Requested:Same as No 12-13.
15. Lots of collections and objects from the Museum in Zadar.
Requested: Same as No 12-14.
16. Picture of the interior of the Court in Dubrovnik, taken by prof.ing. Luigi Crema for the Exhibition in Rome. Restitution requested through A.C.:Ref.Br.1504 of 2 Nov. 1945 and 773/46 of 4 June 1946. No definite reply.

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In Ljubljana and transferred to Rome General Postal Direction. Requested through the A.C.:Ref.Br.783/46 of 5 June 1946.

- 8. Material for the construction of the Railway Crncmelj-Trbovsko in total value of 13 millions Yugoslav pre-war Dinars, transferred in various parts of Italy. Requested through A.C.:Ref.Br. 784/46.
- 9. Yugoslav Bank "Drzavna Hipotekarna Banka" - bonds and other valuable papers sequestered from the Branches of the bank in Zagreb, Banjaluka, Cetinje and Split in total amount of 135,376,494.10 Yugoslav pre-war Dinars, transferred to the Banca d'Italia. Requested through A.C.:Ref Br.785/46 of 5 June 1946.
- 10. Machine "Grosswucht", property of the dockyard in Split, transferred to Messina in December 1942.
Requested through A.C.:Ref.Br.772/46 of 4 June 1946.
- 11. Archives of the District Court in Kotor (period 1326-1798). Taken by Prof. G.Cencetti, inspector of the Archives in Rome; transferred to Venice on 8 Sept.1943.
Requested through A.C.:Ref.Br.623/46 of 13 May 1946.
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- 16. Picture of the interior of the Court in Dubrovnik, taken by prof.ing. Luigi Crema for the Exhibition in Rome. Restitution requested through A.C.:Ref.Br.1504 of 2 Nov. 1945 and 773/46 of 4 June 1946. No definite reply.
- 17. Ancient column from the Museum in Split. Taken in 1942 for the tomb monument to T.Gulli,O.C. Italian man-of-war "Puglia".
Restitution requested:Ref.773/46 of 4 June 1946.
- 18. Classical sculpture in marble, representing a head, taken from the Yugoslav State's Museum at Cetinje on 8 June 1943 by capt. Francesco Pitoli and transferred to Rome:Ministero degli Affari Esteri,Ufficio Collegamento con il Governatore del Montenegro (Colonnello Tancredi), Palazzo del Drago, Via 4 Fontane 20. Restitution requested: As No 17.

19. Lighthouse equipment: 18 Automatic lights with flash light apparatus Pintsch; 21 Crystal glasses; 20 Flash lights Pintsch; Paraffin lights with crystals 3; 1 Paraffin gas light apparatus; 306 Steel bottles for Dissous gas; 10 Binoculars Zeiss; 50 Stop Watches; 30 Manometers; 14 Sun valves; 16 automatic watches. The objects were transferred in Italy to "Zona fari e Segnalamenti Marittimi" at Taranto, Spezia, Lago di Como and Trieste. Restitution requested through A.C.: Ref. Br. 770/46 of 4 June 1946."

Mr. Goshie inquired whether any of the Representatives had received instructions regarding the previous statement of the Yugoslav Representative.

M. Balay made the following statement:

"Le Gouvernement français a pris connaissance avec intérêt de la note remise, le 10 mai, au Conseil Consultatif par la Délégation yougoslave, au sujet de "la restitution par le Gouvernement italien des biens yougoslaves pris par les autorités italiennes fascistes, y compris les navires yougoslaves qui auraient dû être renfloués et réparés aux frais du Gouvernement italien".

Comme le Conseil le sait, le Gouvernement français s'est déjà heurté au problème de la restitution des navires qui avaient été coulés dans les eaux italiennes. Cette question avait en effet pour la France une importance considérable puisqu'il s'agissait d'une quarantaine de navires de haute mer et d'une centaine de bateaux de rivière.

La Délégation Française au Conseil Consultatif pour les Affaires Italiennes s'est adressée aux autorités alliées en invoquant, elle aussi, l'article 15 de la Commission d'armistice. Il lui a été répondu, comme à la Délégation yougoslave, que l'article 15 ne s'appliquait qu'aux navires à flot et qu'il appartenait au Gouvernement français de discuter directement la question avec le Gouvernement italien. Bien qu'à son avis, l'interprétation des autorités alliées fut plus conforme à la lettre qu'à l'esprit de l'article 15, le Gouvernement français décida d'entrer en négociations directes avec le Gouvernement italien, estimant plus utile à son économie d'obtenir immédiatement, au titre de la récupération, un certain tonnage, fût-il inférieur à ses droits, plutôt que de reporter à une date éloignée un règlement total au titre des réparations.

L'accord du 1er juin dernier est le résultat de ces négociations. Le Gouvernement français obtint du Gouvernement italien le renflouement et la remise en état, à très bref délai, de dix navires de haute mer et de toutes les péniches qu'il estimera opportun de remettre en état. En échange de quoi, il cède au Gouvernement italien la propriété d'une trentaine d'épaves et quelques fournitures de produits utiles à l'économie italienne.

La Délégation française n'a pas cessé de tenir la Commission

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La Délégation française n'a pas cessé de tenir la Commission Alliée au courant de ces négociations et elle en a reçu un appui efficace.

En vertu des précédents, j'estime qu'en ce qui concerne les navires yougoslaves, retrouvés coulés dans les eaux italiennes :-

1°.-la question doit être traitée, quant au fond, entre les deux Gouvernements intéressés;

2°.- qu'en ce qui concerne la procédure, la Commission Alliée a qualité pour prêter ses bons offices et appuyer la requête yougoslave

auprès

auprès du Gouvernement italien, et que le Conseil Consultatif est donc fondé à prier la Commission alliée de renouveler ses démarches en vue de donner satisfaction aux revendications du Gouvernement Yougoslave."

Mr. Exintaris stated that although he was without instructions he shared the views expressed by Mr. Baily. As regards the restitution of ships, he referred to the armistice terms and said that these, in fact, do not mention "salvage" in connection with repairs. He was of the opinion, however, that one must not give too narrow a sense to the word "repair". There are, for example, submerged ships whose repairs would perhaps be easier and less expensive than of those which are still afloat. He also stated that he thought that each case should be examined separately. The Yugoslav request was justified in principle. As to the suggestion of the French Delegate, it was not easy to follow the example of the French Delegation as both the Yugoslav and the Greek Delegation had no direct relations with the Italian Government.

Mr. Halford stated that the British Government agreed, in general, with the view expressed by General Macleod in his letter to Sir Noel Charles of May 22nd, namely, that the ideas of the Allies in regard to Italy had developed since the conclusion of the Armistice and the Allies had come to draw a distinction between current occupation expenses which could properly be charged to the Italian Government under the Armistice and restitution which was regarded as a matter belonging peculiarly to the Peace Treaty. The British Government believed that the Yugoslav Government would be well advised to take up the question of Yugoslav ships in Italian waters direct with the Italian Government. The success of the recent negotiations between the Italian and French Governments on a similar question gave reason to hope that the Yugoslav Government might also find satisfaction in the same way.

Colonel Savko stated that the claim of the Yugoslav Delegation for the restitution of their property taken by Italian Fascist Authorities was just and he had been authorized by his Government to express full support to it.

The Chairman made the following statement:

"I have been authorized by my Government to express general concurrence with the position of AFHQ indicated in Major General Macleod's letter of May 22, 1946 addressed to Sir Noel Charles, in his capacity as Chairman in turn of rotation of the Advisory Council for Italy. With reference to this letter, my Government wishes to point out that provision for the restitution from Italy of looted United Nations property located in Italy is made in Article IX of the revised Armistice with Italy. The United States Government believes that an interim program of restitution by Italy should be implemented immediately at the time the new Armistice becomes effective, especially in view of the possibility that considerable time may elapse before an Italian peace treaty is signed."

these, in fact, correct repairs. He was of the opinion, however, that one must not give too narrow a sense to the word "repair". There are, for example, submerged ships whose repairs would perhaps be easier and less expensive than of those which are still afloat. He also stated that he thought that each case should be examined separately. The Yugoslav request was justified in principle. As to the suggestion of the French Delegate, it was not easy to follow the example of the French Delegation as both the Yugoslav and the Greek Delegation had no direct relations with the Italian Government.

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Mr. Halford expressed concurrence with the statement made by the United States Acting Representative.

M.

M. Balay, with reference to the Yugoslav statement that certain ships and machinery looted in Yugoslavia were now being utilized by the Italians, remarked that this was indeed improper and that pending a settlement of this question AMHQ should be asked to make further factual investigations of the Yugoslav claims.

Brigadier Lush said that in the Jugoslav letter of June 5, 1946 addressed to Admiral Stone on this subject, many new points were raised and that Jugoslav claims mentioned in this letter had been communicated to the Italian Government and that appropriate instructions had been requested.

Dr. Smodlaka remarked that "he remained by all his assertions and proposals contained in his both statements of May 10th, and today and he said, "he felt it was necessary for SACMED to give instructions to the Allied Commission to enforce compliance with the Jugoslav request." Dr. Smodlaka suggested besides that the Council ask SACMED for an investigation of the facts of every case as presented in his letter of June 5, 1946 to Admiral Stone".

The Chairman suggested that pending receipt by all Representatives of further instructions regarding the new Yugoslav statement, the Council could forward a letter to SACMED, asking for an investigation of the facts as presented in the letter of June 5, 1946 from the Jugoslav Delegation to Admiral Stone. He ascertained that all the Representatives on the Council agreed with this proposal.

4. Miscellaneous

The Council had no miscellaneous business to discuss.

5. Press Communiqué

The Council agreed to release the following press communiqué:

1946

"The 53rd meeting of the Advisory Council for Italy was held in Rome on June 7, 1946, under the chairmanship of the United States Acting Representative, Mr. John L. Goshie. Other members of the Council present were:

- M. Georges Balay France
- M. George Exintaris Greece
- Colonel V. Savko Soviet Union
- Mr. Aubrey S. Halford United Kingdom
- Dr. Sloven Smodlaka Yugoslavia

Brigadier Lush said that in his Yugoslav letter of June 3, 1946, addressed to Admiral Stone on this subject, many new points were raised and that Yugoslav claims mentioned in this letter had been communicated to the Italian Government and that appropriate instructions had been requested.

Dr. Smodlaka remarked that "he remained by all his assertions and proposals contained in his both statements of May 10th, and today and he said, "he felt it was necessary for SACTED to give instructions to the Allied Commission to enforce compliance with the Yugoslav request." Dr. Smodlaka suggested besides "that the Council ask SACTED for an investigation of the facts of every case as presented in his letter of June 5, 1946 to Admiral Stone".

The Chairman suggested that pending receipt by all Representatives of further instructions regarding the new Yugoslav statement, the Council could forward a letter to SACTED, asking for an investigation of the facts as presented in the letter of June 5, 1946 from the Yugoslav Delegation to Admiral Stone. He ascertained that all the Representatives on the Council agreed with this proposal.

4. Miscellaneous

The Council had no miscellaneous business to discuss.

5. Press Communique

The Council agreed to release the following press communique:

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- M. Georges Balay France
- M. George Exintaris Greece
- Colonel V. Savko Soviet Union
- Mr. Aubrey S. Halford United Kingdom
- Dr. Sloven Smodlaka Yugoslavia

A report on current political developments in Italy, by Rear Admiral Ellery W. Stone, Chief Commissioner of the Allied Commission, was presented to the Council by Brigadier Maurice S. Lush, Executive Commissioner of the Allied Commission".

DATE OF NEXT MEETING

With reference to the request of Dr. Smodlaka that the Council convene within a fortnight, the Chairman suggested adherence to the Council's agreement to hold regular meetings every fourth week, subject to understanding that meetings may be called earlier provided the Council had some urgent business to discuss.

Dr.

Dr. Smodlaka said that on instructions from his Government he was obliged to insist on a meeting of the Council within a fortnight.

Colonel Savko supported Dr. Smodlaka's request.

M. Exintaris remarked that the time for the completion of the investigations seemed too short to him and he believed that the Chairman's proposal was more practical.

The Chairman suggested that the next meeting be scheduled for July 5, subject to understanding that if all Representatives had received instructions by June 21, the next meeting be held on June 21. He further suggested that as soon as any of the Representatives received instructions regarding the Yugoslav statement the Secretariat be informed.

The Council accepted the Chairman's suggestion.

3 Annexes:

- 1) Letter to SACTED dated June 5, 1946;
- 2) Letter to SACTED dated May 15, 1946.
- 3) Letter from Major General M.W.M. MacLeod,
dated May 22, 1946.

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ANNEX #1

TO MINUTES OF 53rd MEETING OF ADVISORY COUNCIL FOR ITALY

Rome,

5th June, 1946.

My dear General,

I have the honour to enclose, for your information, copies of the minutes of meetings of the Advisory Council for Italy, during which the Council discussed statements presented by the Soviet Union and Yugoslav Representatives regarding the CCS directive ordering a discontinuance of AFA lire advances to the Advisory Council for Italy and requesting reimbursement for such past advances.

Yours very sincerely

1974

(signed) Noel Charles
Chairman in turn of rotation
Advisory Council for Italy

6 enclosures:

Minutes of 47th, 48th, 49th, 50th,

0847

Rome,

5th June, 1946.

My dear General,

I have the honour to enclose, for your information, copies of the minutes of meetings of the Advisory Council for Italy, during which the Council discussed statements presented by the Soviet Union and Jugoslav Representatives regarding the CCS directive ordering a discontinuance of AFA lire advances to the Advisory Council for Italy and requesting reimbursement for such past advances.

1974

Yours very sincerely

(signed) Noel Charles
Chairman in turn of rotation
Advisory Council for Italy

6 enclosures:

Minutes of 47th, 48th, 49th, 50th,
51st and 52nd Meetings of ACI

Lieutenant General
Sir W. MORGAN, K.C.B., D.S.O., M.C.,
SUPREME ALLIED COMMANDER,
Allied Force Headquarters,
Caserta.

- 21 -

A N N E X #2

TO MINUTES OF 53rd MEETING OF ADVISORY COUNCIL FOR ITALY

Rome,
15th May, 1946.

My dear General

I have the honour to enclose, for your information, a copy of a statement presented by the Yugoslav Representative at the May 10th, 1946, meeting of the Advisory Council for Italy and with reference to this statement to solicit on behalf of the Council a report on the facts of the case presented therein.

With further reference to this statement, the Advisory Council would be grateful if you would take appropriate measures pending the investigation of this matter, to prevent the destruction by the Italian authorities of the Yugoslav sunken ships resting in or about the port of Leghorn, since such destruction, according to the second paragraph of item 6 of the enclosed Yugoslav statement, is imminent.

Yours very sincerely

(signed) Noel Charles
Chairman in turn of rotation
Advisory Council for Italy 73

Lieutenant General
Sir W. MORGAN, K.C.B., D.S.O., M.C.,
SUPREME ALLIED COMMANDER,
Allied Force Headquarters,

Rome,
15th May, 1946.

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Yours very sincerely

(signed) Noel Charles
Chairman in turn of rotation
Advisory Council for Italy

Lieutenant General
Sir W. MORGAN, K.C.B., D.S.O., M.C.,
SUPREME ALLIED COMMANDER,
Allied Force Headquarters,
Caserta.

A N N E X #3

TO MINUTES OF 53RD MEETING OF ADVISORY COUNCIL FOR ITALY

From: Major General M.W.M. MACLEOD

ALLIED FORCE HEADQUARTERS
Office of the Chief of Staff

22nd May, 1946

My dear Sir Noel Charles

I have the honour to acknowledge receipt of your letter of the 15th May, 1946 to General Morgan and in his absence send you as requested a report on the statement presented by the Yugoslav Representative on the Advisory Council. I am afraid I am quite unable to agree with the Yugoslav views as to the interpretation to be placed on the Armistice Terms.

You will I hope realise that as the papers did not reach my working staff until the 20th May, 1946 it has not been possible to make as detailed an investigation into the matter as I would have liked. Further it has not been possible to contact C-in-C Med who is vitally interested. However, in order that you may have something on which to base your discussion, the attached notes have been hastily prepared. If, after your meeting, you feel that any useful purpose will be served by further briefing, I will have the matter investigated further and more fully.

1972

Yours Sincerely

(signed) M.W.M. MacLeod

His Excellency, Sir Noel Charles, Bt., KCMG, KC,
Chairman Advisory Council,
c/o Allied Commission,

0850

From: Major General M.W.M. MACLEOD
ALLIED FORCE HEADQUARTERS
Office of the Chief of Staff

22nd May, 1946

My dear Sir Noel Charles

I have the honour to acknowledge receipt of your letter of the 15th May, 1946 to General Morgan and in his absence send you as requested a report on the statement presented by the Yugoslav Representative on the Advisory Council. I am afraid I am quite unable to agree with the Yugoslav views as to the interpretation to be placed on the Armistice Terms.

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1972

Yours Sincerely

(signed) M.W.M. MacLeod

His Excellency, Sir Noel Charles, Bt., KCMG, KC,
Chairman Advisory Council,
c/o Allied Commission,
ROME.

COMMENTS ON THE STATEMENT PRESENTED BY THE JUGOSLAV DELEGATION

Relevant Para
of Statement.

1. There seems to be confusion of thought as to the functions of Armistice Terms as compared with those of a Peace Treaty. The Armistice Terms were an interim measure concerned with matters of immediate moment for the furtherance of the war effort. They were not intended to and did not make a settlement of claims between parties. That is a matter for the Peace Treaty.

2. By Art 33 of the Armistice Terms the Italian Government undertook to comply with such directions as the United Nations might prescribe regarding restitution. The United Nations have given no direction relevant to the matter under discussion. There has, therefore, been no failure by the Italian Government to comply with any such direction.

3. From its wording it is obvious that Art 15 is intended to apply to usable ships and not to wrecks. It provided for the immediate collection and handing over of ships in Italian hands at the time of the Armistice.

4. There is a well known distinction in marine law between salvage and repair. The raising of a sunken vessel and its towage to a dock are not repairs. The Jugoslav memorandum introduces the word "salve" which is not mentioned in Art 15 and quite wrongly refers to that Article as an undertaking "to salve and repair" ships. Art 15 contains only an undertaking to repair ships so far as may be necessary to enable the earlier part of Art 15 to be carried out.

1971

5. It is not agreed that the Supreme Allied Commander "is obliged to use his authority whenever requested by any of the United Nations to do so." The Supreme Allied Commander is not a vehicle for enforcing particular national claims, these should be dealt with through diplomatic channels or in the Peace Treaty.

6. The Armistice Terms do not, in general, deal with questions of restitution. If the Armistice Terms have not been complied with, enquiry will be made if particulars of the alleged default are supplied.

7. Ships within the terms of the Liberated Ships Agreements should be returned. The Allied Commission will be asked to present the position with regard to

1.

1 & 2.

2.

3.

4.

Peace Treaty. The Armistice Terms were an interim measure concerned with matters of immediate moment for the furtherance of the war effort. They were not intended to and did not make a settlement of claims between parties. That is a matter for the Peace Treaty.

2. By Art 33 of the Armistice Terms the Italian Government undertook to comply with such directions as the United Nations might prescribe regarding restitution. The United Nations have given no direction relevant to the matter under discussion. There has, therefore, been no failure by the Italian Government to comply with any such direction.

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6. The Armistice Terms do not, in general, deal with questions of restitution. If the Armistice Terms have not been complied with, enquiry will be made if particulars of the alleged default are supplied.

7. Ships within the terms of the Liberated Ships Agreements should be returned. The Allied Commission will be asked to report upon the position with regard to the ships mentioned.

8. There is no obligation on the Italian Government to salve ships. The ruling as to these ships, which is appended, is based on a direction issued by the Admiralty as agents for the CCS.

1.

1 & 2.

2.

3.

4.

5.

(*)

9.

1971

Relevant Para
of Statement.

6. 9. The right to blow up a vessel obstructing navigation is well known. Yugoslavia cannot expect these ships to be left indefinitely as an obstruction to navigation. If they are readily salvageable she should take urgent steps to remove them, if she unreasonably fails to do so she cannot complain if the obstruction is removed.

Meanwhile action has been stayed.

10. The action of the Allied Commission appears to have been perfectly correct.

7. 11. The right of the Advisory Council to advise the Supreme Allied Commander on the enforcing of the terms of surrender is not questioned but there is no evidence that there has been any failure of the Italian Government to carry out its obligations thereunder.

8 a. 12. The Armistice Terms contain no provision for the restoration of plundered property.

8 b. 13. It is not for this Headquarters to advise on the propriety of passing the proposed resolution.

(*) Appendix A

1970

Appendix A.

S E C R E T
C O P Y

ALLIED FORCE HEADQUARTERS
G-5 Section
APO 512

G-5: 912.23

21 May 1946

SUBJECT: Salvage of Yugoslav Ships.

TO : Headquarters, Allied Commission,
APO 794.

Reference your NSC/4000 of 17 November 1945, and NSC/4242
of 17 December 1945, and NSC/4003 of 27 January 1946.

1. Article 15 of the Armistice Terms refers to repairs and
not to salvage. The cost of salvage falls into the category of
reparations which is not dealt with in the Armistice Terms, but
is a matter for the Peace Treaty.

2. It is confirmed that it is the responsibility of the
owners of the vessel or of the Government concerned to arrange
for salvage.

3. With regard to finance, in a similar case the French
Government was advised to obtain, from the Italian Government,
lire to meet their expenses by establishing a blocked franc
account. A similar course is available to the Yugoslav
Government.

BY COMMAND OF LIEUTENANT GENERAL MORGAN:

(s) F.G.A. PARSONS Col.
(t) A.L.HAMBLIN
Brigadier General, GSC
Assistant Chief of Staff, G-5.

0856

G-5: 912.23

21 May 1946

SUBJECT: Salvage of Yugoslav Ships.

TO : Headquarters, Allied Commission,
APO 794.

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1. Article 15 of the Armistice Terms refers to repairs and not to salvage. The cost of salvage falls into the category of reparations which is not dealt with in the Armistice Terms, but is a matter for the Peace Treaty.
2. It is confirmed that it is the responsibility of the owners of the vessel or of the Government concerned to arrange for salvage.
3. With regard to finance, in a similar case the French Government was advised to obtain, from the Italian Government, lire to meet their expenses by establishing a blocked franc account. A similar course is available to the Yugoslav Government.

BY COMMAND OF LIEUTENANT GENERAL MORGAN:

(s) P.C.A. PARSONS Col.
 (t) A.L.HAMBLIN
 Brigadier General, GSC
 Assistant Chief of Staff, G-5.

JLG:bp

0857

26 June 1946.

Dear Mr. Goshie:

Since no fortnightly report as of 21 June was prepared for circulation to the Advisory Council for Italy, I now suggest that the whole period from 7 June (the date of the last meeting) should be covered in my report to the meeting scheduled to take place on 5 July.

Perhaps you will notify the members of the Advisory Council accordingly.

Very truly yours,

Elmer W. Stone

ELMER W. STONE
Rear Admiral, USNR
Chief Commissioner

Mr. John L. Goshie,
Chief of Secretariat,
Advisory Council for Italy,
Via Vittorio Veneto 119,
Rome.

1967

0858

26 June 1946.

Dear Mr. Goshie:

Since the fortnightly report as of 21 June was prepared for circulation to the Advisory Council for Italy, I now suggest that the whole period from 7 June (the date of the last meeting) should be covered in my report to the meeting scheduled to take place on 5 July.

Perhaps you will notify the members of the Advisory Council accordingly.

Very truly yours,

ELMIR A. STONE

ELMIR A. STONE
Rear Admiral, USN
Chief Commissioner

Mr. John L. Goshie,
Chief of Secretariat,
Advisory Council for Italy,
Via Vittorio Veneto 119,
Rome.

1946

0859

28 June 1968

Dear Mr. Goshie:

Since no fortnightly report as of 21 June was prepared for circulation to the Advisory Council for Italy, I now suggest that the whole period from 7 June (the date of the last meeting) should be covered in my report to the meeting scheduled to take place on 5 July.

Perhaps you will notify the members of the Advisory Council accordingly.

Very truly yours,

[Handwritten signature]

ELLEN W. STONE
Rear Admiral, USN
Chief Commissioner

Mr. John L. Goshie,
Chief of Secretariat,
Advisory Council for Italy,
Via Vittorio Veneto 119,
Rome.

1968

[Handwritten signature]
1800/pc

Draft letter

to Mr. Tschis
Secretary of
the Advisory Council for Italy,
U.S. Embassy,
ROME.

from Chief
Commissioner,
A.C.

scheduled

Handwritten initials and date: 28/6

C.C.

. 19 .

Dear Mr. Casale,

Since, owing to Mr. Helford's recent departure, ^{so of June 27} no fortnightly report was prepared

for circulation to the Advisory Council for

Italy, I now suggest that the whole period

from June 7th (the date of the last meeting)

should be covered in my ^{report to} ~~summary~~ the meeting

to take place on July 5th.

~~summary~~ *Perkins you will*

~~summary~~ notify the ~~AC~~ members of the

Advisory Council accordingly.

1563

0861

The Advisory Council for Italy,
U.S. Embassy,
ROME.

Dean Chief
Commissioner,
A.C.

Handwritten signature
28/6

C.C.

scheduled

Since, owing to Mr. Walford's report,
^{copy of June 2}
dearthness, no fortnightly report was prepared
for circulation to the Advisory Council for
Italy. I now suggest that the whole revised
from June 7th (the date of the last meeting)
should be covered in my ^{report to} ~~letter~~ the meeting
to take place on July 5th.

~~xxxxxxxxxxxx~~ Perhaps you will ~~let~~
~~xxxxxxxx~~ notify the ~~advisory~~ members of the
Advisory Council accordingly.

1966

ADVISORY COUNCIL FOR ITALY
Office of the I&A Officer,
APO 394 C 8 Army

MEMORANDUM

6 December 1945.

Subject: POL Issues to Russian, Yugoslav & Greek Delegations of the
Advisory Council for Italy.

To : Lt. Col. L. W. Stearns, AGP.

1. Reference is made your attached communication.

2. While all the basic arrangements with CIP were made by
Captain Slinging, POL Div, Fuel Dept., Ind-Utility Sub-Commission,
I can furnish you the following:

In agreement Capt. Slinging-Mr. Ferraro of CIP there have
been allotted to each Delegation the total of 300 litres per car per
month of POL, such agreement also including proportionate amount of
Motor Oil and Lubricants.

3. I gave this date at the suggestion of Capt. Slinging, written
letters to Mr. Ferraro pertaining to each of the Delegations concerned.
(Copies attached).

4. Insofar as the French Delegation, it seems that as long as the
French Base is located in Rome, they will continue to receive from them
the required POL facilities.

5. I expect that effective tomorrow 7 December I will not issue
any more POL from the Supergarage. I have been controlling the issue
with certificates which I give them when they required gasoline and oil.

6. On reply from each Delegation that they have seen Mr. Ferraro
and that they have been issued the required coupons, I will recall the
AGC Registrations and then they are on their own.

3 items attached re:
Russian
Yugoslav
Greek

SR
STEVE RIGGIO,
Captain, AGP,
I & A OFFICER
AGI. 1564

*Luigi
12/10/45*

0863

Translation

PRYME

French Republic

Temporary Government

Rome, 29 November 1945

French Delegation

to the

Advisory Council for

Italy

n. 1552
Ref.

Referring to the letter from the Secretariat, dated November 26th, concerning the dissolving of the motor pool of the Advisory Council, the French Delegation, to avoid the inconveniences that such a step would cause, suggests that the Secretary to the Advisory Council for Italy should see whether it is possible:

- a) either to keep the pool at the expense of the four delegations concerned;
- b) or to allow the representatives to the Council to contact another allied pool to get cars.

If the first solution is accepted, it would be advisable to figure out beforehand the amount of the expenses that will have to be faced ./.

Secretariat to the
Advisory Council for Italy

Seel

ROME

n. 1559
Ref.

Referring to the letter from the Secretariat, dated November 26th, concerning the dissolving of the motor pool of the Advisory Council, the French Delegation, to avoid the inconveniences that such a step would cause, suggests that the Secretary to the Advisory Council for Italy should see whether it is possible:

- a) either to keep the pool at the expense of the four delegations concerned;
- b) or to allow the representatives to the Council to contact another allied pool to get cars.

If the first solution is accepted, it would be advisable to figure out beforehand the amount of the expenses that will have to be faced.

Secretariat to the
Advisory Council for Italy

ROME

Seal

1559

e/c

0864

Handwritten signature

0865

Translation

French Republic

Temporary Government

(June, 19 - November 1944)

French Delegation

to the

Advisory Council for

Italy

B. 433
ref.

Referring to the letter from the Ambassador, dated November 26th, concerning the discharging of the motor pool of the Advisory Council, the French Delegation, to avoid the inconveniences that such a step would cause, suggests that the Secretary to the Advisory Council for Italy should see whether it is possible:

- a) either to keep the pool at the expense of the four delegations concerned;
- b) or to allow the representation to the Council to continue without using the pool to get cars.

If the latter solution is accepted, it would be advisable to figure out beforehand the amount of the expenses that will have to be paid.

Secretary to the
Advisory Council for Italy

ref.

1962

0866

Italy

Re 1000
ref.

referring to the letter from the representative, dated November 25th, concerning the dissolving of the major pool of our Advisory Council, the French delegation, to avoid the difficulties which might arise, suggests that the Advisory Council for Italy should see whether it is possible:

a) either to keep the pool at the expense of the four

delegations concerned;

b) or to allow the representatives to be allowed to contact

another client pool to get data.

If the first solution is accepted, it would be advisable to

discuss with the representative the amount of the expenses that will have to be found.

Recommended to the

Advisory Council for Italy

1000

1000

1562

s/c

1000/1000

0867

MEMORANDUM

WAB

Temporary Government

French Republic

1000, 24 November 1961

Trans. Allocation

to the

Advisory Council for

Italy

D. 450
Ref.

Referring to the letter from the Secretariat, dated November 20th, concerning the dissolving of the major pool of the Advisory Council, the French delegation, to avoid the inconveniences that might result, suggests that the Secretary to the Advisory Council for Italy should see whether it is possible:

- a) either to keep the pool at the expense of the four delegations concerned;
- b) or to allow the representatives to the Council to contact another filled pool to get cars.

If the first solution is accepted, it would be desirable to figure out beforehand the amount of the expenses that will have to be faced.

Secretariat to the
Advisory Council for Italy

Goal

1961

WAB

Foreign Republic

was, by November 1964

Executive Committee

Foreign Republic

to the

Advisory Council for

Italy

A. J. J. J.

After the the letter from the Ambassador, Rome November 21st,

concerning the dissolving of the major pool of the Advisory Council, the

or new situation, it appears the pool was closed but not a step to be taken,

suggests that the necessary to the Advisory Council for Italy should be

measures if it is possible

of which to end the pool at the expense of the cost

negotiations concerned:

of which to end the representation to the Council to conduct

without other pool to get over.

In the first situation is suggested, it would be possible to

figure out a forward the amount of the expense that will come to 14 of 1964.

subject to the

Advisory Council for Italy

1964

1960

