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Declassified E.O. 12356 Section 3.3/NND No. 785016

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10000/142/546

MERCANTILE
NOV. 1943 - 1

1760

Declassified E.O. 12356 Section 3.3/HND No. 785016

546

MERCANTILE MATERIAL (SALVAGED VESSELS, COLLISIONS, ETC.)
NOV. 1943 - APR. 1945

1761

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

785016

FILE CLOSED 17 April 1945

21A

Ref: ~~6526/EC~~
~~350/385~~

17 April 1945

SUBJECT: Redemption of Italian Merchant Vessels sold to Argentina

TO : AFHQ, G-5

1. By letter dated the 16th January 1945 and forwarded to you under cover of this Commission's letter P/350/385 of 26 January 1945, the Prime Minister expressed the desire of the Italian Government to secure the return from Argentina of eight Italian merchant vessels purchased by Argentina in 1941. The Prime Minister requested that the vessels, if returned, should be placed at the disposal of Italy and exempted from the Armistice obligation of being included in the shipping pool.

2. The letter of the 16th January points out that the return of these vessels would to some extent be based on an option contained in the original contract of sale; that strictly such option does not become operative until after the war; and that therefore the Italian Government has no claim in law to the vessels. The Prime Minister feels, however, that on the grounds of humanity there is some prospect of success.

3. The actual contract of sale has not been produced to this Commission, but upon the basis of the Prime Minister's letter, the United Nations are not in a position under the Armistice terms to require the Italian Government to exercise the option in order to obtain the vessels for the shipping pool.

4. On the other hand, the proposal of the Italian Government does involve a waiver, in respect of these vessels, of one of the clauses of the Armistice terms. Of this, the Prime Minister is fully aware. It is to be observed, however, that unless such waiver is made, the Italian Government will not attempt to obtain the return of the vessels, which will not, therefore, be included in the shipping pool in any event.

5. This Commission strongly recommends that the request of the Italian Government be granted and that no corresponding reduction be made in the tonnage now allocated for shipment to Italy. Such a course will afford some measure of relief to the difficult economic condition of this country and will provide additional transportation which is so urgently required.

6. During the last two months this problem has been referred to G-4 (Nav & Tr) Section, and by that Section to the Chairman Mediterranean Shipping Board. It would appear, however, that no decision has been

reached, beyond the suggestion, which in the circumstances is not helpful, that the attention of the Italian Government should be drawn, as convenient, to the terms of the Armistice. Copies of the relevant correspondence are attached.

7. This is a matter of urgency which involves a requested waiver of the rights of the United Nations under the Armistice terms and a consideration of the general allocation of shipping to this country. If required to be submitted to the Combined Chiefs of Staff, I recommend that this be done at as early a date as possible, together with the recommendations of this Commission, for an early decision.

[Signature] Ellery W. Stone

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

Copy to: C. Commissioner
Executive Commissioner
Navy Sub-Com
Legal Sub-Com

With enclosures
as in para 6.

INFO: USCOMM

CIO

DCIO

Chief Counsel

CIO

Harbor Section

CRIS

13 APR 1948

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Subject: Desire of Italian Government to
Retrieve Italian Merchant Vessels
Sold to the Government of Argentina

Allied Force Headquarters

C-4 (MOV & TN) 5/9/GDM

20 Mar 45

Tel: FREEDOM 302

To : Liaison Division
Headquarters Allied Commission.

Ref your 350/385/EC(L) dated 16 Mar 45.

1. The position still remains as stated in my C-4 (Mov & TN) 5/9/GDM of 15 Mar 45.
2. In considering the request contained in paras 2 & 3 of your above quoted letter the attention of the Italian Government should be drawn, as convenient, to the Terms of the Armistice conditions relative to the employment of the Italian Merchant Marine.
3. Further correspondence should be addressed through the Navy Sub-Commission to Chairman Mediterranean Shipping Board.

C.F. RUSSELL, Lt.Col.
for Brigadier,
D.Q.M.C. (Mov & TN)

Liaison Division

16 March 1945

Ref : 350/385/20/(1)

SUBJECT : Desire of Italian Government to Retrieve Italian Merchant Vessels Sold to the Government of Argentina.

TO : G-4 (Nav & M), Allied Force Headquarters.

1. Further to our 2/350/385 of 12 March 1945.
2. A translation of a further letter from the Minister of Foreign Affairs is forwarded herewith for your consideration.
3. It will be noted that the Italian Government ask for the explicit assurance that the ships, when recovered, shall be left at the exclusive disposal of Italy.
4. This matter has been outstanding since 26 January 1945, and it is requested that everything be done to obtain an early decision.

For the Chief Commissioner:

Officer-in-Charge
Liaison Division.

1 Encl: Ltr No. 21/03137/9 of 12 March 1945.

Translation

Ministry of Foreign Affairs
21/03137/9

Rome, 12 March 1945.

Dear Admiral,

In his letter (21/00504/53) of January 16th, His Excellency Bonomi drew your kind attention on a question of great and urgent interest for us, that of the recovering of the eight Italian ships handed over to the Argentine Republic in August 1941.

With the same letter, His Excellency Bonomi prospected to you all the various aspects of the question and asked you to submit it to the competent Allied Governments to obtain the explicit assurance that the steamers, when recuperated, would be left at the exclusive disposal of Italy - and therefore, not included in the pool -, to be able to take immediate action with the Argentine Government to recover the said ships. This would be in fact the only basis for a justified request on our part to the Argentine Government for the anticipated recovering of the said ships.

I have been informed that lately, numerous initiatives among the Italian groups of Latin America wanted to send relief and foodstuffs to the poorest populations of liberated Italy; as for what concerns the resumption of normal relations with American countries, there seem to be great possibilities for the shipping to Italy of essential goods, of which the country is at present so much in need. As usual, the greatest obstacle is the problem of transports, problem which would be partly solved if we could dispose of the eight ships we have just mentioned.

I feel certain that you have already taken action with the Washington and London Government. I shall be most grateful if you will kindly ask the said Governments for a favourable decision about this question which is of great and urgent interest for us.

Thanking you for whatever information you will be able to give me, I remain, my dear Admiral,

Yours very truly,

S. DE GANDIA

Admiral Ellery Stone
Chief Commissioner
Allied Commission
R O M E

Subject: Desire of Italian Government
to retrieve Italian Merchant
Vessels sold to the Government
of ARGENTINA.

ALLIED FORCE HEADQUARTERS

G-4 (MOV & TR) 5/9

15 Mar 45

To : E.Q. Allied Commission.

Tel : FREEDOM 302

1. Your P/350/385 of 12 Mar refers.
2. This matter was submitted to the Ministry of War Transport,
LONDON for opinion or submission to the Combined Shipping Adjustment
Board.
3. As soon as a reply is received, E.Q. A.C. will be notified.

V. KING, Major,
for Brigadier,
D.Q.M.G. (Mov. & Tr).

Copy to : G-5
M.E.T.R.

MEMORANDUM

TO : Chief Commissioner (through Liaison Division).

1. Herewith is submitted for your approval draft letter to AFHQ.
2. Reference paragraph 3. I do not know whether you feel that we should ask to see the contract. At the moment we have the P.M.'s letter stating categorically (paragraph 2) that the option can only be exercised at the end of the war. Naturally without seeing the contract I cannot confirm or dispute this opinion. If the option were exercisable now CCS or AFHQ might require the Italian Government to exercise it under the Armistice. In any case I feel that after 2 months delay it may seem strange to ask the P.M. for the contract now; on the other hand if we do not, I think we should protect ourselves.
3. Reference paragraph 6. As this letter is only a draft I have not had the correspondence re-typed.
4. Reference paragraph 7. I feel myself that the matter should go to CCS since it only affects CLOWED after the ships have been recovered from Argentina.

Legal S/C
3 April 1945

W. E. BEHRENS, Colonel,
Deputy Chief Legal Advisor.

7. This is a matter of urgency which involves a requested waiver of the rights of the United Nations under the Armistice Terms and a consideration of the general allocation of shipping to this country. I recommend that it should be referred as soon as possible to the Combined Chiefs of Staff, and shall be grateful if you will so submit the question, together with the recommendations of this Commission, for an early decision.

MILBY W. STONE,
Rear Admiral, USNR,
Chief Commissioner.

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HEADQUARTERS ALLIED COMMISSION
APC 394
LEGAL SUB-COMMISSION

AC/4081/1.

/mt.
13 February 1945.

SUBJECT : Salvaged Vessel.

TO : Regional Commissioner (Attn: Regional Legal Officer),
SICILIA Region.

Reference your RLE 013.134/EKM of 2 Feb 1945.

1. We believe the salvagers should be paid.
2. We have requested the Finance Sub-Commission to advise us of any reasons to the contrary, and they have offered no objection.

It is, of course, assumed that there is no question of AC/AMG funds being involved.

By command of Rear Admiral STONE:

W. E. BEHRENS,
Colonel,
Deputy Chief Legal Advisor.

17A

4281

FROM: Col. W. E. HENSON.

LEGAL SUB-COMMISSION
HQ. ALLIED COMMISSION
APO 394
12 February 1945
AC/ACM/L - rls

Dear

I am very grateful for your opinion on the "Pagan"
and the trouble you have taken.

I have passed your opinion to Navy S/C.

With many thanks,

Yours

Colonel H. G. Willmer
Legal Office
AMG 8th Army

4 39

Dear

I am very grateful for your opinion on
the "Pamona" and the trouble you have taken.

I have passed your opinion to Mary S/C.

With many thanks

Yours,

Col. H. C. H. H. H.

Col. H. C. H. H. H.

Col. H. C. H. H. H.

4081 ✓

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PLAS OFFICER LIAISON, ITALY,
AREA COMBINED HEADQUARTERS,
TARANTO.

9th July, 1944.

No. T.A. 976.

MINISTER OF MARINE,
MARISTAT, PALAZZO REITA,
TARANTO.

SALVAGED GERMAN SHIPWRECK.

With reference to your letter No. 428/P.O. of 26th June, 1944, the enemy material referred to in Article 27 of the Armistice Terms includes enemy vessels sunk at the time of the Armistice and subsequently salvaged. All such vessels are therefore liable to seizure by the Allied authorities.

2. There is no objection however to the salvage of enemy vessels or material by private firms provided it is clearly understood that upon being salvaged they are liable to requisition by the Allies if required.

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(Copy to:

Legal Sub-Commission,
Allied Control Commission.)

(Signed) C. E. MORGAN

REAR-ADMIRAL

