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ACC

10000/142/832

REPORT ON EXE
MAY - AUG. 1944

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42/832

REPORT ON EXECUTION OF CONDITIONS OF TRANSFER OF TERRITORY
MAY - AUG. 1944

FILE CLOSED 28 August 1944

HEADQUARTERS
ALLIED CONTROL COMMISSION
LEGAL SUB-COMMISSION
APO 394

(7A)

ACC/4140/L.

ART/ap.
28 August 1944.

SUBJECT : Appointment of Italian Officials.

TO : Director, Interior Sub-Commission.

1. Reference is made to your letter ACC/4A/Int.
dated 27 Aug 44. — P. 60

2. It is agreed that the reply made under para 5 to
the query put in para 2 constitutes a proper answer thereto.

3. In regard to the wording of the last sentence of
para 2, if the fear is that such appointments made without the
visa of the P.C., might not hold good on restoration (such, of
course, would not be the case), the fact that the selection was
made by or in agreement with the Prefect would seem to be an add-
ed reason why they would be likely to be maintained under the
Italian Administration. However, this is by the way.

4. Concurrence is expressed with the concluding para
of your letter.

ay
A. R. THACKRAH,
Lt. Colonel,
Italian Branch,
for Acting Chief Legal Officer.

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4140

HEADQUARTERS
ALLIED CONTROL COMMISSION
INTERIOR SUB COMMISSION
APO 394.

(GA)

ACC/4A/Int.

27th August, 1944.

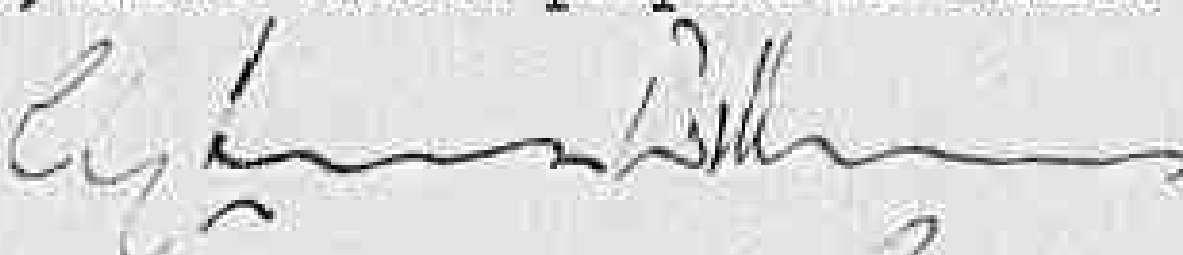
SUBJECT: Appointment of Italian Officials.

TO : Acting Director, Legal Sub-Commission.

1. During a tour this week by one of my officers in AQUILA province, a question was put to him as to the security of tenure of persons appointed to offices under the decree for the temporary reorganization of local government, R.D.L. 4 April 1944 No. 111.
2. The questioner - Capt. Marshall, Executive Officer to the FC put the case as follows :-
He referred to the provision in the "hand-over" documents as to appointments to and removal from any office by AMG which provides that in Italian Government Territory such appointments and removals shall hold good; and accordingly the Italian Government cannot remove such an appointee without AMG consent. Under the R.D.L. mentioned above however, local government appointments are no longer made by any AMG officer but by the Prefect. The previous approval of the FC is required, it is true, but it is the Prefect who then appoints. In these altered circumstances it is doubted in Aquila whether the terms of the "hand-over" document will be applicable, when that province becomes Italian Government Territory.
3. The practice seems to be for the FC to approve of the name or names submitted in a letter to the Prefect who then issues a Decreto Prefettizio formally appointing e.g. the Sindaco and Assessori of a comune. The Decreto bears no indication in the face of it that previous AMG approval has been given. Please refer to Executive Memorandum No. 39 (revised) Schedule A para. 9 which requires such decrees to bear the "visto" of the FC.
4. I have referred to the relevant provisions in the "hand-over" documents (Document C, para. 3) and of R.D.L. 11 February 1944, No. 31 (Art. 1. second para.) at page 2A of your file ACC/4140/L which I return herewith.
5. Could not the question raised be answered by reference to the basic principle that in Military Government Territory the sole legislative and administrative authority is the C-in-C? It follows from this that R.D.L. No. 111 does not operate in Aquila as a law of the Italian State but as a law made by the Military Governor. The Prefect of an AMG province derives all his authority from the Military Governor and not from the Italian State. Therefore all his acts, including appointments to public offices, are done by him as the agent and on behalf of the Military Governor. Thus appointments signed by the Prefect under R.D.L. No. 111 are just as much covered by the "hand-over" document as appointments signed by an AMG officer under the former Regional Orders.
6. Do you agree please and may I have your advice generally on the question raised?

- 2 -

7. If this is correct, it is all the more important that each decree of the Prefect making an appointment, should be countersigned by the FC in manner required by Executive Memorandum No. 39, and I should propose to advise accordingly.




Capt.

R.G.B. SPICER,
Colonel,
Director,
Interior Sub-Commission.

CGRW/pgw.

SECRET

REAR HEADQUARTERS
ALLIED CONTROL COMMISSION
APO 394
ADMINISTRATIVE SECTION

ACC/4140/L

25 May 1944

SUBJECT: Execution of Document "D", Transfer of Territory.

TO : Secretary General, Rear HQ, ACC, APO 394.

1 Further to this office letter reference ACC/4140/L dated 20 May, the following information has been obtained from Interior and Public Safety Sub-Commission and is forwarded for your information.

2 The references are to Paras and Articles contained in Legal Sub-Commission letter dated 16 May reference ACC/4140/L which was forwarded to you with my letter of the same reference dated the 20th.

3 INTERIOR

Para. 3(a) (1) - Art. 2. (Right to quarter troops) :- No question as to this has arisen within this Sub-Commission.

Art. 3. (Right to hold or require Italian Government to hold in custody P.Ws. and civilian internees) :-

This Sub-Commission is concerned with Italian Government Officials so held. No question has arisen as to persons so held by the Italian Government. As to persons held in custody by the Allied Military Authorities, no administrative instructions appear to be necessary for Interior Sub-Commission's purposes.

Art. 7. (No removal of AMG appointed officials without consent of C. in C.) :-

The provisions of Document A and of Italian R.D.L. No. 31 on this point have been a satisfactorily observed by the Italian Government in all cases with which this Sub-Commission has been concerned.

The correspondence of March 1944 between the Chief Commissioner and Marshal Badoglio has been formally brought to the notice of

3 INTERIOR

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Art. 7. (No removal of AMG appointed officials without consent of C. in C.) :-

The provisions of Document A and of Italian R.D.L. No. 31 on this point have been a satisfactorily observed by the Italian Government in all cases with which this Sub-Commission has been concerned.

The correspondence of March 1944 between the Chief Commissioner and Marshal Badoglio has been formally brought to the notice of the Minister of the Interior and detailed arrangements for implementing the Marshal's undertaking (in relation to this Sub-Commission's functions) have been laid down.

Art. 8. (Right to requisition property or services).

No question as to this has arisen within this Sub-Commission.

Art. 12 (Free movement and immunity from taxation for any Representative of the United Nations) :-

Report as under Art. 8.

Para. 3 (a) (11) :- Para 3 of Document C and the 2nd para of Art. 1. of Italian R.D.L. No. 31 relate to the functions of this Sub-Commission. The Italian Government have satisfactorily observed these provisions in the cases with which this Sub-Commission has dealt.

SECRET

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(5A)

PUBLIC SAFETY

4

Para. 3(a) (1) - Art. 3. :-

The Allied Army up to date has exercised its right of holding in custody P.Ws. and civilian internees. The Italian Government has NOT been required to carry this out nor is it anticipated that it will be so required at present.

R.R.C.

R.R. CRIPPS.,
for VP Adm. Sec.

SECRET

(4A)

REAR HEADQUARTERS
ALLIED CONTROL COMMISSION
INTERIOR SUB COMMISSION
APO. 394.

ACC/4140/L

21st May, 1944.

SUBJECT: Execution of Documents for Transfer of Territory.

TO : Administrative Section.

3A
Reference Minute (1) on Minute Sheet and Legal Sub-Commission's memo
Acc/4140/L dated 20 May 1944, Interior Sub-Commission reports as follows:-

Para. 3(a) (i) - Art. 2. (Right to quarter troops) :- No question as to
this has arisen within this Sub-Commission.

Art. 3. (Right to hold or require Italian Government to hold in
custody P.Ws. and civilian internees) :-

This Sub-Commission is concerned with Italian Government Officials so held. No
question has arisen as to persons so held by the Italian Government. As to
persons held in custody by the Allied Military Authorities, no administrative
instructions appear to be necessary for Interior Sub-Commission's purposes.

Art. 7. (No removal of AMG appointed officials without consent
of C. in C.) :-

The provisions of Document A and of Italian R.D.L. No. 31 on this point have been
satisfactorily observed by the Italian Government in all cases with which this
Sub-Commission has been concerned.

The correspondence of March 1944 between the Chief Commissioner and Marshal
Badoglio has been formally brought to the notice of the Minister of the Interior
and detailed arrangements for implementing the Marshal's undertaking (in relation
to this Sub-Commission's functions) have been laid down.

Art. 8. (Right to requisition property or services).

No question as to this has arisen within this Sub-Commission.

Art. 12 (Free movement and immunity from taxation for any
Representative of the United Nations) :-

Report as under Art. 8.

Para. 3 (a) (ii) :- Para 3 of Document C and the 2nd para of Art. 1. of
Italian R.D.L. No. 31 relate to the functions of this Sub-Commission. The
Italian Government have satisfactorily observed these provisions in the cases
with which this Sub-Commission has dealt.

R.G.B. SPICER
Lt. Colonel,
Director,
Interior Sub-Commission.

CGRW/pgw.

SECRET

REAR HEADQUARTERS
ALLIED CONTROL COMMISSION
APO 394
ADMINISTRATIVE SECTION

3A

ACC/4140/L

20 May 44

SUBJECT : Execution of Document "D" of Transfer of Territory.

TO : Secretary General, Rear HQ ACC.

1A

- 1 Reference MSG 37.4-2 dated 3 May 44 attached; this letter was forwarded to this Section for action. Legal Sub-Commission have submitted the attached memo ACC/4140/L dated 16 May 44. - 2A
- 2 It will be seen from the latter that information to complete the reply is required from ECONOMIC Section and from ARMY and NAVY Sub-Commissions, and possibly from Political Section.
- 3 It is considered that the co-ordination of the complete reply will need to be carried out by your office, the papers are therefore referred to you. In the meantime a copy of the LEGAL memo has been referred to Interior and Public Safety Sub-Commissions with instructions to furnish information required re para 3 a (1) Art. 2, para 3 a (1) Art. 12, and para 3 a (1) Art. 3. This information will be furnished to you on receipt by this office.
- 4 On the basis of the LEGAL memo referred to in para 1 above, the following Sections and Sub-Commissions will require to be consulted in addition to those of the Administrative Section, (now in hand);

ECONOMIC SECTION re para 2 a last para.

3 a (1) Art 1.
3 a (1) Arts. 10 and 11 (FINANCE S.C.)
3 a (1) Art. 14 (-do-)
3 b Arts. 1, 2, 3, 5. (-do-)
3 a (1) Arts. 1, 2, & 3.
3 a (1) Arts. 1 & 2.

ARMY SUB-COMMISSION
NAVY SUB-COMMISSION

RRC
E.R. CRIPPS,
Lieut. Colonel,
CSO Admin Section.

SECRET

SECRET

REAR HEADQUARTERS
ALLIED CONTROL COMMISSION
Legal Subcommittee
PO 394

ES/3rd

(2A)

AGC/4140/L

16 May 1944

SUBJECT: Execution of the Documents for Transfer of Territory

TO : V.P. Admin. Section.

(1A)

1. Reference is made to the letter of AFHQ MSG 287.4-2 of 3 May 1944. A survey of Italian legislation implementing the terms of the above documents together with the corresponding provisions of the said documents is set out below.

2. By virtue of para 2 of Document D the Italian Government undertook to publish in the Official Gazette before the date of restoration the following decrees:

(a) "A decree stabilizing wage rates, maximum prices, charges for services; maximum quantities of grain to be held by anyone; as existing at the date of restoration and pending the future policy being agreed upon between us."

In compliance with this obligation the Royal Decree Law No. 32 of 11 Feb. 1944 was published in Gazzetta Ufficiale No. 7, Art. 1 of which reads as follows:

"The wages of private employees, the fixed maximum prices of all kinds of goods and the maximum tariffs for services in effect in the territories restored to the Italian Administration on February 11 at 0000 hours, remain in force without change. The regulations regarding the maximum quantities of rationed products allowed to be kept remain likewise unchanged."

Subsequently the Italian Government, in agreement with the respective branches of the Allied Control Commission, has passed a number of decrees changing rationing rules of certain goods and the prices of certain products and regulating the quantities of grain to be retained by certain classes of persons, (the last by the Ministerial Decree of 2nd May 1944 on regulations for collecting grain and barley harvested in 1944, published in G.U. No. 24 of 3 May 1944.). The particulars of the changes effected in this field may be obtained from the respective subcommissions.

(b) "A decree to implement paragraph 5 of document A providing for the establishment of Allied Military Courts to try offences *committed* by hostile act against the Allied Forces and empowering any member of the Allied Forces to arrest any person whom such member had reasonable grounds for believing to be an Italian officer."

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(b) "A decree to implement paragraph 5 of document A providing for the establishment of Allied Military Courts to try offences ~~committed~~ by any hostile act against the Allied Forces and empowering any member of the Allied Forces to arrest any person whom such member had reasonable grounds for believing is concerned in such an act, except in the case of an Italian officer or an Italian high official in which case the Italian Government or the local superior authority concerned should be asked to cooperate in any action."

The Italian Government fulfilled this undertaking by publishing the Royal Decree Law of 11 Feb. 1944 No. 31, Art. 3 which in its original form read as follows:

"Whoever within the liberated Italian territory commits a hostile act or offence against property to the prejudice of the Allied Military Forces or of any member thereof or of any functionary, representative or agent of United Nations, or whoever takes part in seditious demonstrations against the Allied Forces or commits any act which in whatever way may hamper the war effort or help the enemy, shall be punishable under Italian penal law and shall be tried in Allied Military Courts according to their own procedure."

"In the case contemplated by the preceding paragraph 1 any member of the Allied Armed Forces can effect the arrest of any person who may be reasonably believed to be implicated in acts herein above set out, except where an

Italian officer or high government official is concerned, in which case the Italian Government or the appropriate superior local authority will be requested to cooperate in the premises to the extent necessary."

Upon request of the Allied Control Commission this Article was amended by R. Decree Law No. 112 of 13 April so as to permit the Italian Courts to take jurisdiction over the offenses against Allied interests unless the Allied authorities direct otherwise. The new Art. 3 reads:

"Whoever within the territories restored to Italian administration commits any hostile act or offense against property to the prejudice of the Allied armed forces or of any member thereof or of officials, representatives or agents of the United Nations or is guilty of any seditious demonstration against the Allied Forces or of any action whatsoever that impedes the prosecution of the war or aids the enemy, shall be tried by the Italian Courts according to the Italian penal laws."

"However the jurisdiction of the Allied Military Tribunals is acknowledged in all cases which they shall decide to retain for their own jurisdiction. In such cases the Allied Military Tribunals will follow their own procedure but will apply the Italian penal laws."

"In such cases as set out in the first paragraph any member of the Allied Armed Forces may arrest any person when there are reasonable grounds for suspecting him to be implicated in any act therein set out, save only in the case of an Italian officer or high Italian official."

"In such a case except in matters of special urgency the Italian Government and the competent superior local authority shall be requested to take all necessary steps."

In the opinion of this Subcommittee the Italian Government has fully complied with their obligation in this respect.

3. Furthermore, the Italian Government gave their assurance "to proceed with all possible expedition to pass decrees dealing with the following matters" (Para 3 of document D):

(a) To implement so far as may be necessary the terms set out in Document A and the terms of the Proclamation (Doc. C).

(1) Doc. A. The general clause affirming the continuance in full effect of all armistice terms throughout all Italian territory obviously does not need any implementation and is binding upon the Italian Government as part of the restoration agreement under international law.

The specific rights reserved for the United Nations in Doc. A stated below in an abbreviated form of headings together with an indication whether or not the obligations of the Italian Government arising out of each reserved right were embodied into a rule of municipal Italian law:

case of an Italian officer or high Italian official.

"In such a case except in matters of special urgency the Italian Government and the competent superior local authority shall be requested to take all necessary steps."

In the opinion of this Subcommittee the Italian Government has fully complied with their obligation in this respect.

2. Furthermore, the Italian Government gave their assurance "to proceed with all possible expedition to pass decrees dealing with the following matters" (Para 3 of document D):

(a) To implement so far as may be necessary the terms set out in Document A and the terms of the Proclamation (Doc. C).

(1) Doc. A. The general clause affirming the continuance in full effect of all armistice terms throughout all Italian territory obviously does not need any implementation and is binding upon the Italian Government as part of the restoration agreement under International law.

The specific rights reserved for the United Nations in Doc. A stated below in an abbreviated form of headings together with an indication whether or not the obligations of the Italian Government arising out of each reserved right were embodied into a rule of municipal Italian law;

1. Right to use facilities, installations etc. No legislative provision enacted. Army, Navy and other Subcommissions concerned can supply information as to whether administrative regulations were issued.
2. Right to quarter troops. No legislative provision issued. The Interior, Army Subcommittee might supply particulars as to admin. instructions.
3. Right to hold or require the Italian Government to hold in custody Jews and civilian internees. No legislative provision issued. For administrative instructions see Army and Public Safety Subcommissions.
4. Right "to declare any area to be a Military Zone and to exercise therein the right of an occupying power or enforce such other controls as may be determined by the Allied Commander in Chief."
In compliance with this term the RDL 11 Feb. 1944, No. 31 contains the following provision:
Art. 4. Whenever military zones are established in liberated Italian territories by Allied Armed Forces, Such Forces will retain also all police powers within said areas, including the power to issue and enforce rules and regulations.

24)

5. The right to convene Allied Military Tribunals for the trial of any person violating any order or regulation issued by the Allied Military Authorities and of any person otherwise doing any act hostile to the Allied Forces.

3(a)

Art. 3 and 4 of RDL No. 31 set out above under 2(b) and 4 respectively, were issued in compliance with this term.

6. The right to try offences committed before restoration in violation of AMG proclamations or orders then in force.
This term was implemented by Art. 2 of the RDL No. 31 which provides as follows: "Proceedings in the Allied Military Courts for offences heretofore committed contemplated by the Proclamations and orders mentioned in Art. 2 (note; should read "in Art. 1") shall be continued and disposed of by said Courts in accordance with the provisions of said Proclamations and Orders."

7. No removal of AMG appointed officials without consent of C in C.
In this respect Art. 1 para 2 of the RDL No. 31 states as follows: "The efficacy of the acts undertaken by the Allied Military Authorities shall remain in force including the appointments and dismissals of public or private officials, which shall be recognized in every case as having full and valid legal effect as if they had been made by the Italian Government. The legal and financial status of those who have been placed in public offices by the Allied Military Government will be regulated by the rules of Italian laws."

In addition to the above an exchange of correspondence took place between the Chief Commissioner and the Chief of Government in which the latter confirmed the necessity of previous consent by the A.C.C. to any change in the status of officials appointed by the AMG in the restored territory (Marschal Padoglio's letter of 13 March 1944, No. 759). As far as this Subcommittee is concerned the Minister of Justice gave his assurance to adhere to this agreement in respect to judicial officials in a meeting held on 21 March 1944.

8. The right to requisition property or services. No legislation on this subject was published and no difficulties seem to have arisen. Interior Subcommittee and the Army Subcommittee may supply information as to administrative instructions.

9. The right to recovery or take any steps necessary for prosecution of war. No need for legislation on this point has arisen.

10 & 11. Right of import, export and distribution of civilian supplies for civilian population without duty and right of import and export of military and other supplies necessary for prosecution of war.
Most probably arrangements have been made in this respect between Finance Subcommittee and other Subcommittees concerned on one side and the Italian Government on the other. These Subcommittees will be able to furnish particulars.

and financial control. Allied Military Government will be regulated by the rules of Italian laws.

In addition to the above an exchange of correspondence took place between the Chief Commissioner and the Chief of Government in which the letter confirmed the necessity of previous consent by the A.C.C. to any change in the status of officials appointed by the MG in the restored territory (Marshal Badoglio's letter of 13 March 1944, No. 759). As for as this Subcommittee is concerned the Minister of Justice gave his assurance to adhere to this agreement in respect to judicial officials in a meeting held on 21 March 1944.

8. The right to requisition property or services. No legislation on this subject was published and no difficulties seem to have arisen. Interior Subcommittee and the Army Subcommittee may supply information as to administrative instructions.

9. The right to reoccupy or take any steps necessary for prosecution of war. No need for legislation on this point has arisen.

10 & 11. Right of import, export and distribution of civilian supplies for civilian population without duty and right of import and export of military and other supplies necessary for prosecution of war.

Most probably arrangements have been made in this respect between Finance Subcommittee and other Subcommittees concerned on one side and the Italian Government on the other. These Subcommittees will be able to furnish particulars.

12. Free movement and immunity from taxation for any representative of the United Nations.
No legislative provision published. There might be some administrative directives issued in agreement with Interior and Finance Subcommittee.

13. Immunity of the representatives of the United Nations from the jurisdiction of Italian Courts.
No need for a legislative provision has arisen; to this Subcommittee's knowledge the Italian authorities scrupulously avoided any claim of jurisdiction over United Nations personnel.

14. Costs of maintaining Allied troops within the occupied territory chargeable to the Italian Government.
This matter was dealt with by the Financial Subcommittee which will be able to supply particulars.

(11) Document C. The terms contained in Document C were all put into effect by RDL No. 31. The terms of Document C are stated below together with the corresponding Articles of RDL No. 31:

Document C

1. Military government in the territory restored having been terminated by the Allied Military Government, all powers of government and jurisdiction in the territory restored and over its inhabitants, and final administrative responsibility, subject only to the rights reserved to the United Nations, are vested in the Government of Italy.

2. All Proclamations and Orders heretofore issued by the Military Government or under his authority by its delegates in the said territory and which have been terminated therein by the Military Government or as upon its restoration, are hereby recognised by the Italian Government as having been validly issued during the time they were operative and are declared to be of the same legal effect as if they had been issued by the Italian Government in accordance with Italian law, and they will be so recognised by all Italian Courts and officials.

3. All acts done by any member of the Allied Forces in pursuance of such Proclamations or Orders, and all official action of any nature taken by the Allied Military Government in pursuance thereof including all appointments to and removals from any office, public or private, will be recognised by all Italian Courts and officials as legal, valid and binding.

4. All sentences imposed by Allied Military Courts are hereby recognised by the Italian Government as valid and legal and of the same effect as if imposed by an

RDL No. 31

ART. 1. Allied Military Government, having been terminated, all proclamations and orders heretofore emanating from the Military Government General of the Allied Forces or from his delegates lose their validity in the territories formerly under the jurisdiction of the Allied Military Government.

The efficacy of the Acts undertaken by the Allied Military Authorities, referred to in the preceding paragraph, by virtue of the said proclamations and orders shall remain in force including the appointments and dismissals of public and private officials, which shall be recognized in every case as having full and valid legal effect as if they had been made by the Italian Government.

The legal and financial status of those who have been placed in public office by the Allied Military Government will be regulated in accordance with the rules of Italian laws.

(See also above 3(a)(i)7)

ART. 2. The sentences pronounced by the Allied Military Tribunals shall remain in force and shall in all respects be recognized as though

or under his authority by its delegates in the said territory and which have been terminated therein by the Military Government or as upon its restoration, are hereby recognised by the Italian Government as having been validly issued during the time they were operative and are declared to be of the same legal effect as if they had been issued by the Italian Government in accordance with Italian law, and they will be so recognised by all Italian Courts and officials.

3. All acts done by any member of the Allied Forces in pursuance of such Proclamations or Orders, and all official action of any nature taken by the Allied Military Government in pursuance thereof including all appointments to and removals from any office, public or private, will be recognised by all Italian Courts and officials as legal, valid and binding.

4. All sentences imposed by Allied Military Courts are hereby recognized by the Italian Government as valid and legal and of the same effect as if imposed by an Italian Court and will be so recognized by all Italian Courts and Italian officials unless set aside or modified by or with the consent of the Allied Control Commission.

(b) Document D enumerates under the heading "Financial matters" a series of steps to be taken by the Italian Government i.e.:

1. Reenacting by decree if necessary the terms of Bando No. 61 of 24 Sept. 1943 in relation to notes of exchange of Allied Military Currency.

Bando No. 61 was published in the Gazzetta Ufficiale, Special Series, No. 1/B, 18 Nov. 1943 and the Finance Subcommittee has not requested its republication in form of a decree.

2. Barring transactions in lands and buildings so far as necessary to prevent inflation.
In agreement with the Finance Subcommittee the policy of imposing limitations upon the above transactions has been abandoned.

paragraph, by virtue of the said proclamations and orders shall remain in force including the appointments and dismissals of public and private officials, which shall be recognized in every case as having full and valid legal effect as if they had been made by the Italian Government.

The legal and financial status of those who have been placed in public office by the Allied Military Government will be regulated in accordance with the rules of Italian laws.

(See also above 3(a)(i)7)

ART. 2. The sentences pronounced by the Allied Military Tribunals shall remain in force and shall in all respects be recognized as though pronounced by Italian Tribunals, unless revoked or modified by the Allied Control Commission or with the consent of the said Commission.

3. "If necessary and in so far as not already provided for in existing legislation; (forbidding?) except as permitted or licensed by the Minister of Finance, all transactions in foreign exchange, import or export of coins, currency, securities or gold or silver bullion and barring financial, commercial or other transactions involving trade or communication with any person outside the territory actually administered by the Italian Government except as between such territory and Italian territory still occupied by the Allied Military Forces and except transactions imports and exports for the Allied authorities authorized by them."

This term was implemented by para 1 Art. 2 of the above mentioned RDL No. 32 which reads as follows:

"For the purpose of the prosecution of war the Chief of the Government is given authority to impose in the aforesaid territories (i.e. territory restored to the Italian administration), in agreement with the competent Ministers and as the cases may arise, special directives for or limitations upon the exercise of any productive or commercial activities and also to fix the zone in which such activity may be conducted."

The Finance Commission should be consulted as to administrative instructions in point.

4. "Authorizing the competent Ministers in their discretion as a war measure to prohibit the entering into or carrying on of any type of business except upon such terms or in such areas as they may prescribe, and authorizing them to require any property in which there are reasonable grounds for believing that any enemy or Fascist interests, direct or indirect exist, to be delivered to any agency designated by them to be blocked or to become subject to some other form of control; and providing that subject to the terms prescribed by the Minister of Finance property now held in a blocked account shall remain in its present status, and further providing that financial institutions holding blocked accounts are to make semi-monthly reports to the Minister of Finance showing any dealings in these accounts."

This term was embodied partly in para 1 of Art 2 of RDL No. 32 set out above under 3, partly in para 2 of the same Art 2 which reads as follows:

"Furthermore the Minister of Finance is given authority,

(a) to sequester or provide for any other form of controlled administration under the supervision of the Ministry of Finance of any property or undertaking in which fascists or enemy nationals, be they physical or judicial persons, hold any direct or indirect interest.

(b) to keep frozen the values and bank deposits already affected by such measure, to determine the respective procedures and likewise to provide that the banking institutions holding such values or deposits report every 15 days all effected operations to the Ministry of Finance."

5. Requiring all future initial openings of safe deposit boxes and delivery of contents to be made only in presence of representatives designated by the Minister of Finance, the Financial Subcommission should be requested to supply

4. "Authorizing the competent Ministers in their discretion to prohibit the entering into or carrying on of any type of business except upon such terms or in such areas as they may prescribe, and authorizing them to require any property in which there are reasonable grounds for believing that any enemy or Fascist interests, direct or indirect exist, to be delivered to any agency designated by them to be blocked or to become subject to some other form of control; and providing that subject to the terms prescribed by the Minister of Finance property now held in a blocked account shall remain in its present status, and further providing that financial institutions holding blocked accounts are to make semi-monthly reports to the Minister of Finance showing any dealings in these accounts."

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(b) to keep frozen the values and bank deposits already affected by such measure, to determine the respective procedures and likewise to provide that the banking institutions holding such values or deposits report every 15 days all effected operations to the Ministry of Finance."

5. Requiring all future initial openings of safe deposit boxes and delivery of contents to be made only in presence of representatives designated by the Minister of Finance. The Financial Subcommission should be requested to supply information on administrative instructions issued on this subject.

(c.) Under the heading "United Nations and Enemy Property" Document D imposes upon the Italian Government the duty to pass a decree "confering administrative powers upon the Allied Director of Property Control in relation to the property of any of the United Nations or of any national of the United Nations including property of France and French nationals."

As a result of extensive and at times difficult negotiations a machinery has been designed which met the wishes of the Director of the Property Control in respect to the above term. Administrative instructions have been issued to the Prefects and a draft decree is ready for publication which repeals the restricting Italian regulations regarding property owned by the United Nations, France and their respective citizens. The particulars can be obtained from the Property Control Subcommission.

G. R. DEITCH, Colonel
Chief Legal Officer.

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Military Government Section

CMS/CF/mls.

MGS-387.4-2

3 May 44.

SUBJECT: Execution of Document D for Transfer of Territory.

TO : Headquarters, Allied Control Commission.

Reference is made to Document D of the instruments for the transfer of territory to the administration of the Italian Government. By that document the Chief of the Italian Government undertook to take certain action of legislation or administrative character, including as far as might be necessary the implementation of Documents A and C. While an examination of the Gazzetta Ufficiale makes it apparent where certain of the requisite decrees have been enacted, other requirements called for action only "if necessary", "in so far as not already provided," etc. The actual situation is thus in some matters not known to this Section, which has been requested by the Civil Affairs Division, War Department General Staff, to advise on the matter. Accordingly the Allied Control Commission is requested to make a report to this Headquarters showing exactly what has been done to execute the various conditions of the transfer of territory to Italian administration.

(SGND)

CHARLES M. SPOFFORD,
Colonel, G.S.C.,
Chief of Section.

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CHARLES M. SPOFFORD,
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Chief of Section.

S E C R E T

