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AC/8.1/TN6

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SCHODN
DEC. 1944-6

10000/148/3386

SCHOONERS - POLICY

DEC. 1944 - OCT. 1945 PORTS

AND WATERS

0804

Declassified E.O. 12356 Section 3.3/NND No. 785021

OPENED: 6 DEC. 1944.
CLOSED: 27 OCT. 1945

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THIS FOLDER
CONTAINS PAPERS
FROM DEC. 44
TO OCT. 45
SERIALS

PORTS AND WAREHOUSE Division

No. 415

TRANSLATION AS/lr

Rome 27 Oct. 45

TO : Mr. Charles Crooks
Port & Whse Div.
Tn. SC

As you know, all vessels below 300 tons G.R.T. are in allocation to the Italian Government for the Movement of Italian traffic.

The Italian Govt. took it upon itself to transport at fixed charter prices, of about 30.000 tons monthly of essential goods.

For the execution of this movement the 'Comitato Assegnazione Motovelieri' (CAMOTO) was created for the purpose of designating the schooners for the transportation of essential goods for which the A.C. with the known procedure, releases the bid. On July 1945 a new system became effective which has some improvements over the former, but notwithstanding the efforts of the CAMOTO, there are numerous inconveniences hindering the full utilization of the vessels.

The reason of the main inconveniences is that often permission is requested to transport single lots of goods and, whilst the CAMOTO assigns the schooner on the basis of the permit released by the A.C. the vessel cannot make the movement because of the non existence of the goods or because the movement has already been effectuated by other means.

The number of schooners in the a/m situation has gradually risen, and in the first half of October schooners for 8000 tons capacity were not regularly employed in the assigned movements.

You are acquainted with the inconveniences of the new system. Among these and not last is that of the speculation on a large scale made on the loading permits a thing which harms both the owner of the ship and the loader of the goods.

In order to clear the traffic of this immoral speculation and eliminate the a/m technical inconveniences this Administration has suggested to the concerned authorities, to assume the full responsibility which had been assumed by the Italian Govt. for the movement of essential goods, granting to the schooners full liberty.

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You are acquainted with the inconveniences of the new system. Among these and not last is that of the speculation on a large scale made on the loading permits a thing which harms both the owner of the ship and the loader of the goods.

In order to clear the traffic of this immoral speculation and eliminate the a/m technical inconveniences this Administration has suggested to the concerned authorities, to assume the full responsibility which had been assumed by the Italian Govt. for the movement of essential goods, granting to the schooners full liberty of action;

To bring this about the administration has in mind the creation of a compensation Fund put up with the deposit, on the part of the owners of vessels taking part in the transports of a sum proportionate to the tonnage of the vessel they own. This would serve for the payment of the differences eventually existing between free and fixed Copena charter prices. The MEDBO made no objections to the operations of the system proposed but asked that the Italian Govt. be guarantor of the obligation assumed by us, 'Confederazione Italiana Armatori'.

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This Administration before assuming a formal obligation must make present that, it is necessary to permit the movement with fixed charter prices of cheap or rationed goods, and abolish it for other goods such as wine, almonds, oranges, etc. which only partially are transported with fixed charter prices.

The last mentioned goods in fact are moved by schooners at free or fixed charter prices, by road or by rail.

The different transportation systems used, cause the goods to be sold on the market to the consumer at the highest price resulting from the more expensive transport and as a consequence, the difference between free and fixed charter prices is all to the advantage of the dealers and in detriment of the consumer and of the owner of the ship.

To limit the movements at fixed prices of cheap rationed goods it is necessary that the A.C. express its favorable support, and successively the administration will assume the responsibility for transport at fixed charter prices of the residual essential goods, and apply the a/m system for concession of full liberty of action to all the schooners.

We think that the operation of the suggested system, on equal basis with other conditions, apart from improving the bidding of the schooner traffic, will better the utilization of the tonnage, lowering the free charter prices and the cost paid by the consumer for the goods.

We are hopeful that you will send us your approval to our request and awaiting your reply we thank you.

THE PRESIDENT

sgd. Illegible

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sgd. Illegible

4.02

RECOMMENDATIONS
SCHOONERS

am/lnl
6-2-45

General Policy:

1. All schooners to be formally requisitioned by the Italian Government and to be operated through COMAR.
2. All schooners to be registered with COMAR.
3. Present system of navigation licenses and voyage permits to be maintained.
4. Italian Government to be responsible, through COMAR, for hauling of the essential commodities lifting program as submitted by competent Italian Government Agencies and screened and approved by A.C.
5. Directorate General of Merchant Marine to be responsible for bulk allocation of fuel in various ports.
6. A.C. Headquarters to supervise carrying out of overall program for essential commodities and to be kept informed daily of cargo situation by COMAR Head Office in Rome.

Organization:

1. A.C. Headquarters to supply COMAR in advance with overall program of movements of essential commodities by sea in order to enable COMAR to make proper allocation.
2. COMAR to appoint each schooner's owner as operating agent to act on their behalf.
3. A committee of owners of schooners to be attached to COMAR Staff, as experts to advise on the allocation of schooners to carry out lifting program for essential commodities approved by A. C. as first priority.
4. Existing CO-GE-NA ton mile freight rate to be considered at present, as official ceiling to be paid. Freight rates to be adjusted according to actual cost of schooners' operations within 30 days and to be revised quarterly.
5. On completion of lifting of essential program schooners to be free to haul other cargo authorized by competent Italian Government Authorities through Chamber of Commerce.
6. Individual exporters to apply to Chamber of Commerce for export licenses.
7. Chamber of Commerce upon the issue of export license to notify

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COMAR local agent, Port Captain and Custom Authority of port of embarkation.

8. Individual exporters supplied with export permit to arrange through usual commercial channels or directly with ship owners for hauling of cargo.

9. Shipper to submit export license and name of schooner to COMAR local representative in order to obtain voyage permit.

10. Voyage permit to be submitted to Capitaneria di Porto. After checking mileage, Capt. di Porto, will allocate sufficient fuel to cover the voyage to the next re-fueling station. Custom Authorities of the port of embarkation to verify upon information received from Chamber of Commerce, that commodities carried are those listed on export license.

11. A. C. Headquarters to be kept informed of cargo movements by COMAR Head Office in Rome.

4400

HEADQUARTERS ALLIED COMMISSION
APO 394
TRANSPORTATION SUB-COMMISSION

Tel: 318

MJS/11

503/145/TN 5

5 May 1945

Ian Campbell, Esq.,
Chairman, Campbell Committee,
% Ministry of War Transport,
Rome.

Re: Utilization of Schooners

Dear Sir: *la*

Since our conversation the other day, I have made some examination regarding full utilization of schooners. I have had some thirty-six cases examined where the cargoes, originally scheduled for the schooners were not available at the ports, when the schooner arrived. In these particular cases, I find that alternative cargoes were made available, cargoes which had been authorized against the shipping program.

It would therefore appear that the waste is not so serious as originally thought; at the same time, I am not fully satisfied with the information I have so far received and I am investigating the matter further.

Sincerely,
Yours very truly,

M. J. MIST
M. J. MIST, Colonel,
Chief, Movements Div.

copy to: Port & Warehouse Division

cc/8/12/45

Confidential

HEADQUARTERS ALLIED COMMISSION
 APO 394
 Transportation Sub-Commission
 (Movements Division - Shipping)

Ref: AC/503/123/Tn.3

14 march 1945

SUBJECT: Schooner Control.

TO : Col. M.J. Sieff
 Chief, Movements Division.

1. Deputy Director's letter memo of of 13th has been discussed with Ports and Warehousing Division who are submitting separate report.
2. It is agreed that the present schooner control is unsatisfactory, it is however felt that the handing over of this control to A.C. would not improve the position.
3. The return of shipping not included in the Armistice Terms to Italian management would undoubtedly improve the speed, and carrying capacity and general efficiency of the craft concerned, there is however one point of paramount importance to be considered, and that is the Italian authorities would not demand on Allied Control Tonnage an equivalent lift to that released.
4. It is suggested that all craft under 300 tons gross registered tonnage, excluding RASC requisitioned vessels be returned to the Italian Government and that when they have carried a specific amount per month of essential commodities that the remaining space be utilized in uncontrolled commodities be they black market or essential food stuffs.
5. This control or guarantee to be vested in Italian Ship Owners Association who would be responsible for implementing the directive issued by A.C. against a reasonable theoretical expectation of sea-carriage based on a figure compatible to a good month under the present system.

[Signature]
 J.A. BALFOUR
 Lt. Colonel
 Movements
 Shipping Branch.

copy P. + W. Sir

ROME, 11 March 1945.

MEETING held in Room 3, Ground Floor, AC Building. Present:

Col. Harris, Coordinating Officer Transport Northern Region;
Col. Fitzgerald, Transportation Officer, Lombardie Region;
Col. Woodger, ditto, Venetia Region;
Waj. James, ditto, Liguria Region;
Waj. Saunders, ditto, Piemonte Region.
Waj. MacLure, Movement Div., Tn. S/C, ACHQ
Lt. Morana, Italian Liaison Officer with Ministry of Marine;
Mr. Razzanella, Chief Ports & W.see Division, ACHQ
Mr. P. McDonnell, of Ports Division
and also: Col. G. Camarino, of the C.A.R. (Compagnia Autotrasporti,
Roma);

Capt. Insom, Vice-President of the C.I.P.;
Ing. Sommariva, of the F.I.A.T.;
Comm. Ara, Managing Director of Assicurazioni Generali.

On opening of meeting at 10 a.m. McDonnell stated that he had interviewed Lt. Comdr Davies of the Naval Sub-Commission, who is Liaison with the Comitato Interministeriale for salvage, and who explained that on entering Northern areas priority would be given to operational salvage, and that the salvage of schooners and craft being non operational work would be in the hands of the above Comitato. It appears that this Comitato up to the present has not functioned in freed Italy. Before the war there were 7 or 8 good salvage firms in Italy, but to-day there are over 100, most of them were speculators, not properly equipped and unable to do serious work. In any case all matters of salvage should be discussed in

Naples with Capt. Rippon, R.N.V.R., Fleet Salvage Officer, Navy House, who has in hand the salvage operations in the Mediterranean, and with a Lt. Commander, Plans, who has in hand the future planning in this connection, and is also at Navy House. WCD. will see them.

Questions were asked regarding the possibilities of the Po river traffic. It appears that owing to bare the mouths of the river are not approachable, but lighters go down from Venice to Chioggia by canal, and then up the river for a short distance towards Cremona. Such lighters are up to 300 tons, and on to Pavia by 100/150 ton lighters, above this only small lighters of 20/30 tons can pass as far as Chivasso, but owing to shifting sandbanks, navigation on the Po is very difficult after the first hundred miles.

The other rivers are said not to be navigable however there are numerous canals within a hundred mile radius of Venice, and a Canal from Venice to Monfalcone (with three locks); very few indeed of the lighters used are self-propelled; on most canals the lighters are hauled by use of horses on the two paths; in some cases tugs are used. The lighters are owned by small Companies and also by private individuals.

For the salvage of river craft, contact would have to be made with the Genio Civile. The barges are: a few of 600 tons; some of 300 tons (especially for Monfalcone Canal); others usually of about 150 tons. Higher up the Po the craft are smaller - 20/30 tons.

Handwritten: Interim

lines.

McDonnell is to ask in Naples for a rough idea of tonnage in motorschooners which Cogena could place at disposal, and also about RASC schooners ~~which~~, some of which it seems will be released shortly to run under Cogena.

He is to ask if Cogena could immediately organize the management of the schooners in the Northern areas as soon as these are freed, and if they could put in an official to each port to act immediately with the Transportation Officers. In this way the latter would be freer to deal with road and rail transport problems. The names of such officials should be obtained.

In the Adriatic, no doubt, as in freed Italy already, the "Adriatica" Company's agents would be acting for Cogena, and the latter is to be asked about this.

The matter of road transport was also raised, and a certain amount of information was given by Col. Camarino, Capt. Ineom, Ing. Sommariva and Comm. Ara (also as re/ insurance under the Germans up in the Northern regions). These gentlemen have promised more detailed information in two or three days, and Col. Camarino will give information as to the number and tonnage of trucks available or which it is hoped may be available.

Capt. Ineom, for the C.I.F., said that this organization already two months made plans for the Northern Regions re/ P.C.L. distribution, and will be ready to move in immediately the territories are freed and within a week have their system working.

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4030

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

6.01/ES

LDD/es

31 January 1945

SUBJECT: Italian Schooner Operation

TO : Chief Commissioner (Through Chief of Staff)

1. Some time ago you noticed the following paragraph in an Aide Memoire dated 1 December 1944 on Italian Schooners sent to A. C. by the Mediterranean Shipping Board:

"To correct the confusion existing today, and to utilize the fleet to the possible maximum control, 'tonnage bidding' appears more important than 'Schooner Control'.

At that time you asked us for a statement setting forth the present procedure for bidding, and for our comments with respect to 'tonnage bidding' and 'schooner control'.

2. Present tonnage bidding procedure can be summarized as follows:

(a) A bid form (S.B.2), copy attached, is completed by the Consignor and submitted through the local Chamber of Commerce, to the A. C. Regional Headquarters in the Region of export.

(b) Bids are not submitted direct to CO-GE-NA, or to Transportation Sub-Commission. The only exceptions to this rule are bids from an A. C. Sub-Commission, or from a State Monopoly, which bids are submitted direct to Transportation Sub-Commission. Even bids from these two groups, however, have to be submitted after approval by the A. C. Regional Commissioner of the Region of export.

(c) All bids are finally considered by Transportation Sub-Commission, Movements (Shipping) Section, who arrange shipment either in CO-GE-NA Schooners or in vessels set up by G-4 (Mov & Tn), A.F.H.Q.

3. The history of CO-GE-NA and the use of Italian schooners has not been a savory one. In order to correct

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the present abuses, and more adequately to control the movement of schooners and the cargo they carry, the following program is in process of being adapted by the Italian Government, upon the recommendation, and with the assistance of the Transportation Sub-Commission:

(a) CO-GE-NA will employ registered schooners on a "time charter" basis, under rates which have been increased to make it possible for schooner owners to operate at a profit.

(b) A flat ton-mile freight rate has been agreed upon and will be established as of 1 February 1945. The classifications that apply appear in "Classificazione e Tariffa Base", Tirreno, August 1942."

(c) The four leading Italian shipping companies, under the title FINMARE, and under the control of CO-GE-NA, are to undertake the actual operation, as well as the collection of the freight, and issuance of bills of lading. The use of these available facilities will make for greater efficiency than was hitherto possible under management by CO-GE-NA. The operation by FINMARE is desired by them and has the approval of MEDBO, with certain reservations as to financing of administration expenses, responsibility for note collections, etc. These reservations have now been agreed to by the Italian Government and Allied Commission, as well as FINMARE, and operation under accepted terms will commence 11 February 1945.

(d) On any Allied vessels being employed, CO-GE-NA will be responsible for the collection of freight.

(e) As in the past, A. C. will continue to indicate to MEDBO the various transport requirements, and MEDBO will in turn instruct CO-GE-NA, the operation being undertaken as indicated by FINMARE.

(f) It is believed that since CO-GE-NA and FINMARE are between the shipper and carrier, there will be at least some check on irregularities.

(g) As an incentive, it is hoped to arrange for owners to receive a bonus on the speedy carrying of full cargoes and on the other hand a penalty clause is being added to all shipping documents, making shipping masters and owners liable for violations of contract, diversions, jettisons and overcharges.

4. A fact-finding meeting is being held today by me within the Economic Section relative to the question of "Status and functions of the Shipping Sub-Commission". A

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further report will be made to you in this connection.

LDD
L. D. DENSMORE
Colonel, F A
Acting Deputy Chief of Staff
Economic Section

Incl:

Bid Form (S.B. 2)

cc: Transportation S/C ✓

Agreed to by Mr. Crooks, Tn S/C - EN 29 Jan 45

4393

HEADQUARTERS
ALLIED COMMISSION
TRANSPORTATION SUB COMMISSION
C/o Southern Region

File 8
8.3

TO : SHIPPING PORTS & WAREHOUSE DIVISION
A.C. H.Q.

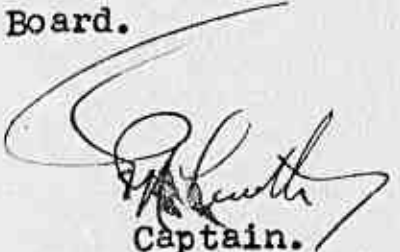
December, 9th. 1944

(for attention of Mr. C. C. CROOKS)

Your reference: AC/3/58/TN/S of 2nd. Dec.

SUBJECT : Impositions of fines for schooner control.

Enclosed is a copy of a letter from the War
Shipping Administration, from which it would appear
that it is now agreed that fines may be imposed by
the Medbo Schooner Control Board.


Captain.
Tn. Sub-Commission
Southern Region.

WAR SHIPPING ADMINISTRATION

NAPLES? ITALY

December 6, 1944.

To : Gibson Graham, Esq.,
Chairman, Medbo.

From : Robert Nicol
Deputy Regional Director, Med. W.S.A.

I have been advised by Allied Commission with reference to fines on schooners, which question, you will recall, was brought up at the last Italian meeting we had with COGENA, that the present status is the it is illegal to collect fines. However, as a temporary measure prior to a law being made by the Government, it will be in order to add a clause to the Charter Party on the Schooners under the control of Cogena, or on permits which sailing vessels are obliged to obtain. The exact wording of this clause is being studied, but should read something along these lines:

"It shall be the responsibility of the owner to insure that only authorised cargo is carried in his vessel.

"If it is discovered that unauthorised cargo is carried, the owner shall be fined the amount which equals the declared value of the entire cargo on board, and the unauthorised cargo shall be confiscated. The fine collected and the confiscated cargo will be turned over to the Italian Government."

The question of fines already collected is being taken up with the Italian Government to have them indicate to which Department the amount collected should be paid.

Robert Nicol
Deputy Regional Director Med.

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