

APPENDIX "A"

D R A F T

MESSAGE FOR THE SUPREME ALLIED COMMANDER, MEDITERRANEAN

Subject is relief to Venezia Giulia (Zone "A") - Udine (hereinafter called "areas of combined responsibility"), after 30 June 1947 until AFHQ is dissolved and thereafter until the Governor of the Free Territory of Trieste assumes office.

1. The agreement between the United States and the United Kingdom regarding the civilian relief supply terminated 30 June 1947. The United Kingdom has informed the United States that it can no longer participate in the financing of such supplies but that it will continue to participate in the government of the areas and in the distribution of supplies furnished by the United States.

2. Supplies for relief after 30 June 1947 will be furnished by the United States and purchased with funds appropriated for relief assistance to the people of countries devastated by war pursuant to the authorization of Public Law 84 - 80th Congress (copy being transmitted separately). Supplies which can be purchased with such funds are limited to food, medical supplies, processed and unprocessed materials for clothing, fuel, fertilizer, pesticides and seed. All other supplies must be obtained from other sources.

3. Mechanics of supply and distribution will continue substantially as at present.

4. Public Law 84 provides that no relief assistance shall be provided under its authority to the people of any country unless the government of such country has given certain assurances satisfactory to the President. These assurances, together with certain other requirements of Public Law 84, have been brought

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into a standard form of agreement which is being entered into by the United States with the governments of all countries aided under the Law. The essential provisions of this standard form are set out in paragraph 5 below. You will insure that they are complied with by all appropriate commands in the areas of combined responsibility.

Public Law 84 also provides for the establishment and maintenance of a United States relief distribution mission for each country receiving aid under it. This mission is to have direct supervision and control of relief supplies furnished or otherwise made available under the Law. Your attention is particularly called to the provisions stated in paragraph 5 below regarding the relationship between this relief mission and the military governments of the areas of combined responsibility.

5. The Standard form of agreement is as follows:

ARTICLE I.

Furnishing of Supplies

(a) The program of assistance to be furnished shall consist of such types and quantities of supplies, and procurement, storage, transportation and shipping services related thereto, as may be determined from time to time by the United States Government after consultation with SACMED or the responsible officer or officers of the Allied Military Government in the areas of combined responsibility designated by SACMED or the appropriate US or UK commanders in the Free Territory of Trieste after the dissolution of AFHQ, in accordance with Public LAW 84, 80th Congress, 31 May, 1947, and any Acts amendatory or supplementary thereto. Such supplies shall be confined to certain basic essentials of life, namely; food, medical supplies, processed and unprocessed material for clothing, fertilizers, pesticides, fuel, and seeds.

- (b) Subject to the provisions of Article III, the United States Government will make no request, and will have no claim, for payment for United States relief supplies and services furnished under this Agreement.
- (c) United States Government agencies will provide for the procurement, storage, transportation and shipment to the areas of combined responsibility of United States relief supplies, except to the extent that the United States Government may authorize other means for the performance of these services in accordance with procedures stipulated by the United States Government. All United States relief supplies shall be procured in the United States except when specific approval for procurement outside the United States is given by the United States Government.
- (d) SACMED or the responsible officer or officers of the Allied Military Government of the areas of combined responsibility designated by SACMED or the appropriate US or UK commanders in the Free Territory of Trieste after the dissolution of AFHQ, will, from time to time, submit in advance to the United States Government proposed programs for relief import requirements. These programs shall be subject to screening and approval by the United States Government and procurement will be authorized only for items contained in the approved programs.
- (e) Transfers of United States relief supplies shall be made under arrangements to be determined by the United States Government in consultation with SACMED or the responsible officer or officers of the Allied Military Government of the areas of combined responsibility designated by SACMED or the appropriate US or UK commanders in the Free Territory of Trieste after the dissolution of AFHQ. The United States Government, whenever it deems it desirable, may retain possession of any United States relief supplies, if at any time in its possession such supplies transferred, to, or the right to

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local community where such supplies are made available to the ultimate consumers.

## ARTICLE III.

### Distribution of Supplies in the Areas of Combined Responsibility

(a) All United States relief supplies shall be distributed by the Allied Military Government under the direct supervision and control of the United States representatives comprising the relief mission described in Article V hereof, and in accordance with the terms of this agreement. The distribution will be through commercial channels to the extent feasible and desirable.

(b) All United States relief supply imports shall be free of fiscal charges including customs duties up to the point where they are sold for local currency as provided by Article II of this Agreement unless when because of price practices, it is advisable to include customs charges or government taxes in prices fixed, in which case the amount thus collected on United States relief supply imports will accrue to the special account referred to in Article III. All United States relief supply imports given free to indigents, institutions and others will be free of fiscal charges, including customs duties.

(c) The Allied Military Government will designate a high-ranking official or officials who shall have the responsibility of liaison between the Allied Military Government in the areas of combined responsibility, and the United States representatives responsible for the relief program.

(d) The Allied Military Government will distribute United States relief supplies and similar supplies produced locally or imported from outside sources without discrimination as to race, creed, or political belief, and will not permit the diversion of any of such supplies to non-essential uses or

for export or removal from the country while need therefor for relief purposes continues. The Allied Military Government will not permit the diversion of United States relief supplies to assist in the maintenance of armed forces.

(e) The Allied Military Government will so conduct the distribution of United States relief supplies and similar supplies produced locally or imported from outside sources as to assure a fair share of the supplies to all classes of the people and will maintain a ration and price control system to that end.

(f) Distribution shall be so conducted that all classes of the population, irrespective of purchasing power, shall receive their fair share of supplies covered in this Agreement.

### ARTICLE III.

#### Utilization of Funds Accruing from Sales of United States Supplies.

(a) The prices at which the United States relief supplies will be sold in the areas of combined responsibility shall be agreed upon between the Allied Military Government and the United States Government.

(b) When United States relief supplies are sold for local currency, the amount of such local currency will be deposited in a special account in some suitable name which shall be agreed upon by the United States Government and the Allied Military Government.

(c) Until June 30, 1948, such funds shall be disposed of only upon approval of the duly authorized representatives of the United States Government for relief and work relief purposes within the areas of combined responsibility, including local currency expenses of the United States incident to the furnishing of relief. Any unencumbered balance remaining in

such account on June 30, 1940, should be disposed of within the areas of combined responsibility for such purposes as the United States Government, pursuant to Act of Joint Resolution of Congress, may determine.

(d) The Allied Military Government will upon request advance funds to the United States representatives to meet local currency expenses incident to the furnishing of relief.

(e) While it is not intended that the funds accruing from sales of the United States relief supplies normally will be used to defray the local expenses of the Allied Military Government in handling and distributing the United States relief supplies, including local currency costs of discharging cargo and other port charges, the United States representatives will consider with the Allied Military Government the use of the funds to cover the unusual costs which would place an undue burden on the Allied Military Government.

(f) The Allied Military Government will each month make available to the United States representatives reports on collections, balances and expenditures from the fund.

(g) The Allied Military Government will assign officials to confer and plan with the United States representatives regarding the disposition of funds accruing from sales and to assure a prompt and proper use of such funds.

#### ARTICLE IV.

##### Affective Production, Food Collections and Economic Measures

(a) The Allied Military Government will exert all possible efforts to secure the maximum production and collection of locally produced supplies needed for relief purposes.

(b) The Allied Military Government will furnish regularly current information to the United States representatives regarding plans and progress in achieving this objective.

(c) The Allied Military Government affirms that it has taken and is taking in so far as possible the economic measures necessary to reduce the relief needs of the areas of combined responsibility.

United States Mission

(a) The United States Government will establish and maintain a relief distribution mission in the areas of combined responsibility which will discharge the responsibilities provided for relief distribution missions under Public Law 36, 80th Congress, May 31, 1947, and this Agreement. The Allied Military Government will permit and facilitate the movement of the members of the relief mission to, in and from the areas of combined responsibility.

(b) The Allied Military Government will permit and facilitate in every way the freedom of the members of the relief mission to supervise, inspect, report and travel throughout the areas of combined responsibility at any and all times, and to cooperate fully with them in carrying out all of the provisions of this Agreement. The Allied Military Government will furnish the necessary automobile transportation to permit the members of the relief mission to travel freely through the areas of combined responsibility and without delay.

(c) The members of the relief mission and the property of the mission and of its personnel shall enjoy in the areas of combined responsibility the same privileges and immunities as are enjoyed by the U.S. Diplomatic personnel and the property of the U.S. Diplomatic personnel.

ARTICLE VI.

Freedom of United States Press and Radio Representatives to Observe and Report

The Allied Military Government agrees to permit representatives of the United States Press and Radio to observe freely and report fully and without censorship regarding the distribution and utilization of relief supplies and the use of funds received from the sale of United States relief supplies.

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(c) The Allied Military Government will maintain adequate statistical and other records on relief and will consult with the members of the relief mission, upon their request, with regard to the maintenance of such records.

(d) The Allied Military Government will furnish promptly upon request of the members of the relief mission information concerning the production, use, distribution, importation, and exportation of any supplies which affect the relief needs of the people.

(e) In case members of the relief mission report apparent abuses or violations of this Agreement, the Allied Military Government will investigate and report and promptly take such remedial action as is necessary to correct such abuses or violations as are found to exist.

#### ARTICLE VIII.

##### Publicity Regarding United States Assistance.

(a) The Allied Military Government will permit and arrange full and continuous publicity regarding the purpose, source, character, scope, amounts and progress of the United States relief program in the areas of combined responsibility, including the utilization of funds accruing from the sales of United States relief supplies for the benefit of the people.

(b) All United States relief supplies and any articles processed from such supplies, or containers of such supplies, or articles, shall, to the extent practicable, be marked, stamped, branded, or labelled in a conspicuous place in such manner as to indicate to the ultimate consumer that such supplies or articles have been furnished by the United States for relief assistance; or if such supplies, articles,

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Allied Military Government to inform the ultimate consumer  
thereof that such supplies or articles have been furnished  
by the United States for relief assistance.

#### ARTICLE IX.

##### Termination of Relief Assistance

(a) The United States Government will terminate any or all of its relief assistance under this Agreement at any time whenever it determines: (1) by reason of changed conditions, the provision of relief assistance of the character authorized by Public Law 84, 80th Congress, 31 May 1947, is no longer necessary; (2) any provisions of this Agreement are not being carried out; (3) an excessive amount of locally produced supplies similar in character to the United States relief supplies are being used to assist in the maintenance of armed forces in the areas of combined responsibility or if any United States relief supplies are used to assist in the maintenance of armed forces, or (4) United States relief supplies or similar supplies produced locally or imported from outside sources are being exported or removed from the areas of combined responsibility. The United States Government may stop or alter its program of assistance whenever in its determination other circumstances warrant such action.