

NORTH ATLANTIC COUNCIL DEPUTIES
SUPPLÉMENTS DU CONSEIL DE L'ATLANTIQUE NORD

SUMMARY RECORD

AC/8-R/8

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4th December, 1951.

JOINT WORKING GROUP ON PRODUCTION, FINANCE AND
MILITARY REQUIREMENTS PROBLEMS

Summary Record of a meeting held in Room 71,
Foro Italicò, Rome, on Wednesday, 28th November
1951. at 4.30 p.m.

PRESENT

Chairman: Mr. Taylor (Head of Central Statistics Office
of NATO Council Deputies)

DEFENCE PRODUCTION BOARD

Mr. Herod
Sir Ernest Wood
Mr. Bogdan
Colonel Daum
M. J. Levy

FINANCIAL AND ECONOMIC BOARD

M. Leroy-Beaulieu
M. Denis

DPB Liaison Officer to
Standing Group: Dr. Kruisheer

STANDING GROUP REPRESENTATIVES

Logistic and Material Planners Team:-

Colonel Baird
Colonel Chrétiennot
Colonel Donald

Council Deputies Liaison Officer to the Standing Group:-

Major-General Lindsay.

SECRETARIAT

Miss B.C. Brodie

CONTENTS

<u>Item</u>	<u>Subject</u>	<u>Page No.</u>
I.	Consideration of Redraft proposed by the Defence Production Board of Document AC/8-D/7 (Revisc): "Draft Terms of Reference of the Statistical Co-ordinating and Screening Group"	1.
II.	Authorisation to Circulate FEB Questionnaire on Civil Imports	6.

I. CONSIDERATION OF REDRAFT PROPOSED BY THE DEFENCE PRODUCTION BOARD OF DOCUMENT AC/8-D/7(Revise): "DRAFT TERMS OF REFERENCE OF THE STATISTICAL CO-ORDINATING AND SCREENING GROUP"

1. THE CHAIRMAN said that the purpose of the present meeting, attended by Representatives of the various NATO agencies, was to discuss the re-draft proposed by the Defence Production Board of Document AC/8-D/7(Revise) containing the "Draft Terms of Reference of the Statistical Coordinating and Screening Group", which had been amended in certain respects as a result of discussions held by the Joint Working Group in London. He proposed, and the Group agreed, to compare the two documents paragraph by paragraph, with a view to deciding whether the proposed changes were acceptable.

2. The following passages in the DPB's proposed re-draft gave rise to discussion and alterations to the text.

Paragraph II: sub-paragraph 2:

3. In the original document (AC/8-D/7(Revise)) the text read as follows:-

"Thus the Group would establish a framework....",

whereas the proposed re-draft replaced this phrase by the following:

"The Group will constitute a framework".

4. It was finally agreed that the following wording would be preferable to either of the previous versions:

"The Group will prepare a framework".

5. The original text in Document AC/8-D/7(Revise), of the first part of the second line of this sub-paragraph read as follows: "co-ordination of periodical questionnaires". It was now proposed that the word "periodical" should be deleted. The general opinion of the Group was that it was preferable not to specify periodical questionnaires; if any agency wished to obtain a simple one-time report on certain data, it should be able to obtain it without going through formal channels.

6. It was finally agreed that the DFB's proposed re-draft, which omitted the word "periodical", would be retained.

7. COLONEL BAIRD requested clarification of the exact meaning of the following phrase in sub-paragraph 2: "will make recommendations concerning the assignment of responsibility for such questionnaires". The Chairman explained that when requests for the same statistical information were submitted
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by several agencies as, for example, in the case of production deficiencies, the Statistics Co-ordinating Group would have to decide which of these agencies would be responsible for producing such information in order to avoid duplication.

8. COLONEL DONALD assumed that the Statistics Co-ordinating Group would not take the final decision regarding which particular military agency would supply such statistical information, since this was the ultimate responsibility of the Standing Group.

9. MR. HEROD enquired whether an agency which was assigned responsibility for the questionnaires retained control over its subsidiary bodies with regard to the allocation of different sections of the work involved in collecting the statistical data in question.

10. THE CHAIRMAN pointed out that the intention was that the Statistics Co-ordinating Group should bring together representatives of the main agencies of NATO on both the military and civilian sides. It was for the military bodies to decide whether SHAPE and the subordinate military agencies would be represented directly on the Statistics Co-ordinating Group or be kept up-to-date by other means of the decisions taken in this field by the Group.

11. The Group concluded that the word "assignment" was too strong to render the meaning intended and therefore agreed to replace it by the word "division".

12. M. DENIS enquired to which specific body the recommendations referred to in this sub-paragraph would be made.

13. THE CHAIRMAN explained that the recommendations would be transmitted back to the individual agencies by their representatives in the Statistics Co-ordinating Group; it was not intended that any formal decision would be taken at that level.

14. The Group agreed that this intention would be made clearer by inserting the following phrase into the text of sub-paragraph 2 after the word "recommendations":

"to the appropriate NATO agencies".

Paragraph III

15. With reference to the first sentence of this paragraph, MR. HEROD suggested that, although statisticians should make up the core of the Statistics Co-ordinating Group, it should be possible for the agencies to send other experts to the meetings if they so desired.

16. THE CHAIRMAN pointed out that the original intention was to ensure that the Statistics Co-ordinating Group was a technical, as opposed to a political, body.

17. M. LEROY-BEAULIEU emphasised the necessity of distinguishing between the permanent and ad hoc technical experts participating in the discussions of the Statistics Co-ordinating Group, the latter being called upon for their collaboration only on a temporary basis.

18. At GENERAL LINDSAY's suggestion, it was agreed that a second sentence should be added to paragraph III to read as follows:

"Additional members may be designated by NATO agencies to consider special problems as required".

Footnote to Paragraph III.

19. It was the general opinion of the Group that it was not sufficient in this footnote to mention the Standing Group and SHAPE as the military NATO agencies concerned, since other military commands would begin to operate in the near future. National governments and NATO agencies had become accustomed, however, to referring to SHAPE for statistical information connected with military matters, and it was therefore desirable to mention SHAPE specifically in the footnote. If this was done, GENERAL LINDSAY pointed out, other principal military bodies should also be mentioned specifically.

20. The Group accordingly agreed to replace the words "and SHAPE" by the following phrase:

"and other military agencies and commands, (e.g. Military Standardisation Agency, SHAPE and Channel Command)."

Paragraph IV.

21. GENERAL LINDSAY referred to the phrase, "questionnaires which a member country may have issued" and suggested that it would be more appropriate to say "which any NATO agencies or non-NATO agencies may have issued". If the OEEC, for example, had obtained information which was also desired by NATO, it would be more expeditious to apply to the OEEC direct, instead of referring back to individual countries.

22. M. LEROY-BEAULIEU objected that it would be impossible to establish a joint working group with the OEEC on an official basis: such information could only be obtained through unofficial contact with individual OEEC representatives.

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23. The Group agreed that these two points of view could be reconciled by deleting the following phrase:

"achieve the closest co-operation with individual member countries".

Paragraph V: Sub-paragraphs 3 and 4

24. COLONEL BAIRD thought that sub-paragraphs 3 and 4 of Paragraph V could be combined into one paragraph, as they expressed much the same idea.

25. THE CHAIRMAN pointed out that the original intention was that sub-paragraph 3 should indicate that the Statistics Co-ordinating Group would decide from what broad fields each agency would collect statistical data. Paragraph 4 would go further in providing for the specific type of statistics to be supplied by the various agencies. He agreed, however, that paragraph 3 in essence repeated the idea which had already been expressed in the last sub-paragraph of Paragraph II on the previous page of the document, and was therefore unnecessary.

26. The Group agreed that sub-paragraph 3 and the first line of sub-paragraph 4 should be deleted. The previous sub-paragraph 4 would now become sub-paragraph 3 and would begin with the words "Prepare a proposal for". Subsequent paragraphs should be renumbered accordingly.

Paragraph VI.

27. GENERAL LINDSAY expressed the views of the Standing Group on the implications of this paragraph. Since the Standing Group was prevented by space and time from participating directly in the discussions of the Statistics Co-ordinating Group, it could not approve of the provisions of paragraph VI as here worded, since the Joint Working Group of the Council Deputies would thereby exercise the final decision regarding the acceptability of questionnaires and the manner of handling them. The Standing Group objected particularly to the last two sentences of Paragraph VI in which it was provided that in the event of disagreement between the proposing agency and the Group the problem would be referred to the Joint Working Group of NATO for resolution, pending which the proposing agency would withhold issuance of the questionnaire. All military agencies would regard as highly undesirable the delay which would probably be involved in this procedure.

28. However, the Standing Group considered that the last paragraph of the document, which was now a sub-paragraph of Paragraph VII, provided an escape clause which would satisfy the requirements of the Standing Group, if it were specifically shown to be an exception to the provisions of Paragraph VI, by becoming a separate Paragraph VIII.

29. With reference to the last two sentences of Paragraph VI, a number of Representatives questioned the role of the Joint Working Group of NATO.

30. MR. BOGDAN pointed out that the original intention in forming the Joint Working Group in question under the Chairmanship of Mr. Spofford was that, although it was inconceivable that statistical experts could not reach agreement on technical points, it was necessary to provide for the eventuality of differences arising out of political issues involved in the collection of statistical data. Such political issues would be referred to the Joint Working Group for settlement, in order to avoid adding to the burden of the Council Deputies.

31. M. LEROY-BEAULIEU pointed out that the Joint Working Group had been formed on an ad hoc basis and had no legal status and no power to commit the Statistics Co-ordinating Group to any decisions; it could only exercise a co-relating function.

32. M. DENIS added that even in the field of political divergencies, the Joint Working Group could not take positive action, since it was not empowered to take final decisions.

33. GENERAL LINDSAY suggested that for these reasons the final sentence of paragraph VI in the original draft terms of reference as set out in document AC/8-D/7 (Revise) would be preferable to the existing last two sentences of Paragraph VI in the DPB's proposed redraft.

34. MR. HEROD stressed the importance of avoiding any delay in the action required of NATO agencies on account of constitutional formalities. The provisions of the last two sentences of Paragraph VI were dangerous in that, if the Joint Working Group of NATO did not take action promptly in the event of problems being referred to it, all further action by the other agencies would be unduly slowed down. In his view, this type of constitutional difficulty was the chief hindrance to progress in NATO at the present time, and should be avoided at all costs.

35. In view of the above considerations, the Group agreed that the last two sentences of Paragraph VI should be deleted and should be replaced by the following sentence from the end of Paragraph VI of the original document AC/8-D/7 (Revise): "The agency will retain discretionary powers over the final content of the questionnaire, but shall endeavour to follow as far as possible the final recommendations of the Statistical Co-ordinating and Screening Group".

/Paragraph VII

Paragraph VII. Sub-paragraph 2

36. In accordance with the trend of the discussion on Paragraph VI, it was agreed that the present sub-paragraph 2 of Paragraph VII should become a separate paragraph VIII.

Title of the Document

37. The Group agreed that the words "and screening" were unnecessary in the title of the Group and therefore of the document under consideration, and that the title of the document would therefore read: "Draft Terms of Reference of the Statistical Co-ordinating Group". Whenever the original title appeared in the document, the words "and Screening" should be accordingly deleted.

Procedure for submission of Draft Terms of Reference to Council Deputies

38. Regarding the future action to be taken with respect to the draft terms of reference, THE CHAIRMAN pointed out that the first step was to obtain the formal approval of the Standing Group to the document as now adopted provisionally by the present Group. The document would then be formally submitted to the Council Deputies for their approval. He hoped that the Standing Group would be able to communicate its approval of this document in the near future.

39. COLONEL DONALD pointed out in this connection that one point on which the Standing Group required satisfaction before being able to signify its approval of the draft terms of reference was the necessity of ensuring that the existence of the Central Statistical Library to be kept by the Statistics Co-ordinating Group gave rise to no security irregularities. In his view it might be desirable if the document contained a specific reference to this question.

40. After discussion, it was agreed that there was no need to make specific provision in the document for security measures in connection with the Central Statistical Library, since such requirements would be covered by the regular security regulations in force throughout the NAT Organisation.

II. AUTHORISATION TO CIRCULATE FEB QUESTIONNAIRE ON CIVIL IMPORTS

41. THE CHAIRMAN informed the Group that the Financial and Economic Board was anxious to circulate to national governments a draft questionnaire on civil imports. The Central Statistics Service had examined the proposed questionnaire and had found it acceptable; one small point only remained to be settled, namely, whether the calendar or the fiscal year should be taken as the basis for replies. Since the questionnaire merely requested governments to furnish readily obtainable data on trade statistics, the Group was requested to authorise the FEB to circulate it to governments without delay.

42. Since no objections were raised, the Group agreed that the Financial and Economic Board should be authorised to circulate the questionnaire in question.