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WORKING GROUP TO EXAMINE INTERNATIONAL CO-ORDINATION
OF SUPPLIES IN WARTIME

DRAFT REPORT TO THE SENIOR CIVIL EMERGENCY PLANNING
COMMITTEE AND DRAFT COUNCIL RESOLUTION ON THE ESTABLISHMENT
OF A CENTRAL SUPPLIES AGENCY

Note by the Secretary

1. Attached is the text of the draft report to the Senior Committee and, at Annex, the draft Council resolution on the establishment of a Central Supplies Agency, revised in the light of comments made at the last meeting(1).

2. The reservation made by the United States Delegation in respect of these two documents(2) has been withdrawn. The United States Delegation has however proposed to modify item VII of the Annex as follows:

"VII. The Senior Civil Emergency Planning Committee is invited to keep this matter under study and in particular to consider ways and means of giving attention to the problems of supply and transport which will arise during the initial phase of a nuclear war."

3. The proposed amendment will have to be examined at the next meeting of the Working Group. In order to gain time the Chairman has, in accordance with the decision taken at the last meeting(3), sent the texts of the attached two documents to the Chairmen of PBOS and PBEIST and to the Standing Group Liaison Officer, inviting them to state their views before 1st October, 1956; the proposed amendment has been mentioned in these letters.

(Signed) H. VOIGT

Palais de Chaillot,
Paris, XVIIe.

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- (1) AC/101-R/5
(2) AC/101-R/5, paragraph 2
(3) AC/101-R/5, paragraphs 5 and 13

DRAFT REPORT TO THE SENIOR CIVIL EMERGENCY
PLANNING COMMITTEE

At its meetings on 26th and 27th January, 1956, the Senior Civil Emergency Planning Committee considered a memorandum by the French Delegation (C-M(55)71) on the co-ordination of wartime civil and military requirements programmes. The Senior Committee, unable to decide whether a special agency should be set up for this purpose, ruled that a working group should be instructed to study the composition and terms of reference of such an agency, and to submit proposals without, however, committing itself as regards the desirability of creating such an agency(*).

2. Acting on these instructions, the Working Group has produced for submission to the Senior Committee the attached document in the form of a draft Council Resolution. After a preamble in which general views on the expediency of creating such a body are discussed, the document outlines in broad terms the suggested functions and composition of an allied agency which would be known as the Central Supplies Agency; the Working Group did not intend to attach a definite character to this denomination.

3. In spite of the latitude which it was left by the Senior Committee to submit any alternative proposals it might deem necessary, the Working Group has been able to prepare a text agreed by all its members. However, for a proper understanding of the compromise solutions which have had to be adopted, the following explanations appear necessary.

4. For the drafting of this text, the Working Group assumed that in view of the magnitude of the military requirements, allied shipping and port capacity in wartime would be inadequate to meet all the demands made on it. The Council, in 1951, approved the setting up in wartime of the Defence Shipping Authority to ensure, as its main responsibility, the pooling of all the ocean-going merchant shipping of every member country and the allocation of this shipping in accordance with the requirements of the civilian and military authorities. In taking this decision, the Council recognised, however, that the Defence Shipping Authority would not be made responsible for establishing priorities. When an arbitration between the various requests for shipping space will be necessary, this will be carried out, under last instance, by the supreme allied authority responsible for the conduct of the war. The Working Group therefore adopted the view that the Central Supplies Agency would be a standing body set up to assist the supreme allied authority by providing it with the necessary advice.

Preamble - Paragraphs I to IV

5. Paragraph I of the Draft Resolution sets out the conditions under which the Agency envisaged might be set up in wartime under the Supreme Allied Authority for the conduct of the war. Paragraph II states that it is not possible at the present time to define in detail all the functions which the Agency might be called

(* AC/98-R/1, paragraph 164(2))

upon to perform in wartime. Nevertheless, it was found possible tentatively to define the main functions of this Agency and the principles underlying its composition (paragraph III). However, it is brought out in paragraph IV that the principles laid down for the organization in question may have to be reviewed at the outbreak of war.

Functions - Paragraph V

Paragraph 1

6. The Agency would assist the supreme authority in the elaboration of general guidance, mainly by giving advice on the possible repercussions in the field of supplies, of the decisions taken by this authority.

Paragraphs 2 to 5

7. These paragraphs explain the role which might devolve on the Agency in the preparation of import programmes. The Senior Committee has been informed that the Food and Agriculture, Industrial Raw Materials, Coal and Steel, and the Petroleum Planning Committees have each been making a study of the functions of wartime commodity boards. The work of these boards would be carried out in close co-operation with the Defence Shipping Authority, but since the province of each board would be restricted to a single group of commodities, no comprehensive picture could be obtained; the existence, alongside the specialised commodity boards, of a Central Supplies Agency in a position to judge the situation in all countries and for all commodities, as a whole, might facilitate co-ordination of the import programmes of the various countries.

8. If, following the examination referred to in paragraph 2, it is found that there is no obstacle to the implementation of these import programmes from the shipping standpoint, these import programmes would form the basis of transport programmes to be carried out jointly by the Defence Shipping Authority and the Governments concerned.

9. Paragraph 3 - Should it prove impossible to implement these programmes in full, the Agency would by negotiation with the various governments, attempt to obtain a reduction enabling balanced import programmes consonant with shipping possibilities to be formulated. The Group considered that negotiation might often obviate seeking arbitration from the supreme authority, thus lightening its task.

10. Paragraph 4 - When recourse to the supreme authority is inevitable, the Central Supplies Agency would study the effects likely to ensue from application of the various possible solutions, thus enabling the supreme authority to take a decision with full knowledge of the facts.

11. Paragraph 5 deals with the role of the Agency when changes to the import programmes must be made:

- (a) If time allows (sub-paragraphs (a) and (b)), after the exchange of information referred to in these sub-paragraphs, a course of action broadly similar to that envisaged for

paragraphs 2 and 4 would presumably be resorted to. The Working Group, however, does not think that the time available will be sufficient for exactly the same procedure to be followed, and considers that it is still too early to make any more definite arrangement.

- (b) When transport plans have to be changed as a matter of urgency (paragraph 5(c)), action by the Central Supplies Agency should ensure that any modification introduced by the Defence Shipping Authority will, as far as possible, be compatible with the position emerging from the status of resources and requirements.

12. [This paragraph will probably be amplified and redrafted when the Working Group has had an opportunity of considering the views and comments the military authorities are invited to supply.]

The Working Group has considered whether the province of the Agency could be extended to examination of the military programmes. It concluded that for the time being and in the absence of a firm military stand it could not arrive at a definite conclusion on this point; nevertheless, it agreed that liaison should, in any event, be maintained between the Agency and the military authorities. The advice of the military authorities could be valuable during the screening of import programmes on account of the consequences their implementation may have on the production of military equipment. Moreover, such contacts might enable the military authorities to make certain modifications to their import programmes in the light of the information received and in particular if the surveys of the Agency revealed that very adverse effects might follow cuts in civilian import requirements to enable planned military requirements to be met.

Composition - Paragraph VI

13. The Group has considered several possible solutions in connection with the composition of the Agency, ranging from a group of experts of international status to a committee of national representatives assisted by a group of international experts. The formula finally selected enables the various governments concerned to avail themselves of a representative authorised to state their points of view and, moreover, in touch with all the Agency's activities, but it did not appear possible, at the present stage, to define in greater detail what should be the relations between national representatives and the Group of Experts. The Working Group was unanimous in thinking that the national representatives should be high-ranking officials authorised, insofar as possible, to take decisions themselves.

DRAFT RESOLUTION OF THE COUNCIL ON THE ESTABLISHMENT
OF A CENTRAL SUPPLIES AGENCY

I. The Council recognises the need for a Central Supplies Agency under the supreme allied authority responsible for the conduct of the war.

II. It is not possible at the present time to define in detail all the functions which this Agency might be called upon to perform in wartime, or the procedures to be employed in its relations with governments and other allied agencies.

III. The Council, however, considers it advisable to define forthwith the main functions of this Agency and the criteria governing its composition.

IV. Any such organization may have to be reviewed at the outbreak of hostilities, to take into account the possibility of participation of non-NATO powers in the common defence effort and of the need to co-operate with certain neutral governments, as well as of other prevailing circumstances.

V. FUNCTIONS:

The Central Supplies Agency will, in particular, fulfill the following functions:

1. To give advice and formulate suggestions intended to assist the supreme authority in the elaboration of guidance for the preparation of the import programmes of the member countries of the alliance.

2. In consultation with the appropriate national authorities, the specialised commodity boards, the military authorities and the transport agencies, to review the import programmes, in order to co-ordinate them and to ascertain that they comply with the general guidance issued by the supreme authority.

3. Should it prove impossible to implement in full the civil and military programmes submitted, to examine possible changes of civil programmes in consultation with the appropriate national authorities and the specialised commodity boards, and to attempt to obtain the agreement of interested countries to the programme modifications proposed.

4. To report to the supreme authority, to submit proposals and to request its arbitration in the case of disagreements, such as:

- (a) in the event of one or several governments having refused to agree to the suggested modifications and proposed order of priority;
- (b) in the event of it proving impossible, even after the introduction of the modifications referred to above, to carry out civilian programmes simultaneously with military programmes.

5. To maintain a close liaison with other inter-allied agencies, specially:

- (a) to receive information from the Defence Shipping Authority of any unforeseen alteration in transport capabilities which might affect seriously implementation of import programmes, also to receive from the appropriate authorities information on circumstances likely to affect port capacities;
- (b) to inform the Defence Shipping Authority about changes in the supply situation which might affect the planning of transport movement;
- (c) to give advice to the Defence Shipping Authority as to the supply and requirements situation when transport plans have to be changed as a matter of urgency.

VI. COMPOSITION

1. The Central Supplies Agency shall include a small number of persons chosen by the Council by reason of their qualifications in the field of supply. The Agency will also include a representative of each allied government which desires such membership.

2. It shall work in co-operation with the commodity boards, the agencies responsible for shipping and overland transport and the appropriate NATO military authorities who will be represented at the Central Supplies Agency.

3. The Central Supplies Agency will be authorised to call in any other officials particularly qualified to deal with specific questions.

VII. The Senior Civil Emergency Planning Committee is invited to keep this matter under study and to propose any further action it may deem useful.