

Plans for Terminating the International Authority for the Ruhr

The Allied High Commission published Dec. 21, 1951, the text of the protocol signed by the governments of Belgium, France, Luxembourg, the Netherlands, the United Kingdom and the United States covering an agreement to abolish the Ruhr Agreement signed in London on April 28, 1949.

The instructions to the three high commissioners from their governments concerning lifting of restrictions on the production and production capacity of the German steel industry were also published Dec. 21. The texts of these documents which follow are unofficial texts.

As was announced in the communique of Oct. 19, 1951, issued simultaneously by the governments of the six powers concerned, the International Authority for the Ruhr will cease to exercise certain functions upon the entering into force of the treaty establishing a European Coal and Steel Community (Schuman Plan) and will be

abolished after the common market provided for by the treaty has been established. For details see agreement accompanying the protocol.

The instructions to the high commissioners provide that the present regulations under which no increase of steel production and capacity may be authorized by the Allied High Commission, remain effective until the Schuman Plan enters into force. This situation is only a provisional one, since according to the new instructions the restrictions imposed by the Allied High Commission on German steel production and production capacity will be lifted with the entry into force of the treaty (Schuman Plan). Simultaneously, the Allied High Commission will remove the controls it has exercised so far on the German coal, iron and steel industries except to the extent necessary for the fulfillment of the deconcentration and reorganization of these industries under Allied High Commission Law No. 27.

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Six-Power Protocol Relating to the Proposed Agreement For the Termination of the Ruhr Agreement

The governments of Belgium, France, Luxembourg, the Netherlands, the United Kingdom of Great Britain and Northern Ireland and the United States of America:

Having considered the relation of the treaty constituting the European Coal and Steel Community signed at Paris on April 18, 1951, to the maintenance of the International Authority for the Ruhr, established by the agreement signed at London on April 28, 1949, have decided:

1. To approve the draft agreement attached hereto terminating the functions of the International Authority for the Ruhr and the Ruhr Agreement.

2. To sign, through their respective and duly authorized representatives, the draft agreement attached hereto as soon as the aforesaid treaty constituting the European Coal and Steel Community shall have entered into force in accordance with Article 99 thereof.

The original text of the present protocol shall be deposited in the archives of the Government of the United Kingdom of Great Britain and Northern Ireland which shall supply certified true copies to each of the governments on whose behalf it has been signed. This protocol shall be registered with the secretary-general of the United Nations.

Done at Paris this 19th day of October, 1951, in the English and French languages, both texts being equally authentic.

In witness whereof, the undersigned representatives, duly authorized by their respective governments, have signed the present protocol.

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Agreement between the governments of Belgium, France, Luxembourg, the Netherlands, the United Kingdom of Great Britain and Northern Ireland and the United States

of America relating to the Termination of the Functions of the International Authority for the Ruhr and of the Agreement for the Establishment of an International Authority for the Ruhr.

Whereas the governments of Belgium, the Federal Republic of Germany, France, Italy, Luxembourg and the Netherlands have established the European Coal and Steel Community by a treaty accompanied by a convention concerning transitional provisions at Paris on April 18, 1951, and

Whereas the governments of Belgium, France, Luxembourg, the Netherlands, the United Kingdom of Great Britain and Northern Ireland, and the United States of America are the signatory governments of the Ruhr Agreement, and

Whereas the maintenance of the International Authority for the Ruhr after the establishment of the common market envisaged by the treaty constituting the European Coal and Steel Community will no longer have any purpose, and certain of the functions of the International Authority for the Ruhr can be terminated at earlier dates,

The governments of Belgium, France, Luxembourg, the Netherlands, the United Kingdom of Great Britain and Northern Ireland, and the United States of America have agreed to the following:

Article 1

The Ruhr Agreement shall terminate upon the establishment of the common market for coal within the European Coal and Steel Community in accordance with the provisions of Section 8 of the Convention.

Article 2

The International Authority for the Ruhr shall cease to exercise all functions under Article 14 of the Ruhr Agreement on the

date when the High Authority shall have assumed, in accordance with Paragraph 2 of Section 2 of the Convention, its functions under Article 59, Paragraph 3 of the Treaty.

Article 3

The International Authority for the Ruhr shall cease to exercise all functions under Article 15 of the Ruhr Agreement on the establishment of the common market for coal in accordance with the provisions of Paragraph 8 of the Convention, or on such earlier date as the High Authority may decide that the provisions of Article 15 are no longer necessary in order to eliminate the discriminatory practices, measures or arrangements covered thereby.

Article 4

The International Authority for the Ruhr shall not exercise any functions under Articles 16, 17, 18 and 19 of the Ruhr Agreement after the Treaty has entered into force.

Article 5

The International Authority for the Ruhr shall cease to exercise all functions

(a) Under Paragraphs (i) and (ii) of Article 20 of the Ruhr Agreement, upon the termination of its functions under Article 14 of the Ruhr Agreement in accordance with Article 2 of the present agreement, and

(b) Under the other provisions of Article 20 of the Ruhr Agreement, upon the termination of its functions under Article 15 of the Ruhr Agreement in accordance with Article 3 of the present agreement.

Article 6

All the functions or powers of the International Authority for the Ruhr for the cessation of which an earlier date is not expressly provided by the present agree-

ment shall terminate at the same time as the Ruhr Agreement, except to the extent necessary to complete the administrative liquidation of the Authority itself.

Article 7

In all cases where the application of any provision of this agreement depends on the effective date of a measure to be taken in implementation of the Treaty, such date shall be that fixed by the High Authority and notified or communicated by it. The Government of France undertakes to notify such dates to the International Authority for the Ruhr and to the Government of the United Kingdom of Great Britain and Northern Ireland as depository of the agreement unless the High Authority notifies them directly and so informs the Government of France.

Article 8

For the purposes of the present agreement:

(1) The expression "Ruhr Agreement" shall mean the Agreement establishing the International Authority for the Ruhr signed at London on April 28, 1949;

(2) The expression "Treaty" shall mean the Treaty constituting the European Coal and Steel Community, signed at Paris on April 18, 1951;

(3) The expression "Convention" shall mean the Convention containing the transitional provisions, annexed to the Treaty constituting the European Coal and Steel Community;

(4) The expression "High Authority" shall mean the High Authority established by the Treaty constituting the European Coal and Steel Community.

Article 9

The present agreement shall enter into force as soon as it shall have been signed on behalf of the governments of Belgium, France, Luxembourg, the Netherlands, the United Kingdom of Great Britain and Northern Ireland, and the United States of America.

Article 10

The original text of the present agreement shall be deposited in the archives of the Government of the United Kingdom of Great Britain and Northern Ireland, which shall supply certified true copies to each of the governments on whose behalf it has been signed. It shall be registered with the secretary-general of the United Nations.

Done at Paris this 19th day of October, 1951, in the English and French languages, both texts being equally authentic.

In witness whereof the undersigned representatives, duly authorized by their governments, have signed the present agreement on the dates appearing opposite their respective signatures.

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Joint Instructions

Upon the entering into force of the Treaty constituting the European Coal and Steel Community signed at Paris on April 18, 1951, certain controls heretofore exercised in Germany will no longer be appropriate. In order to take account of this situation, the following measures shall be taken:

1. The governments which signed the Agreement of April 28, 1949 establishing the International Authority for the Ruhr have signed the text of a protocol and approved the text of an agreement concerning the termination of functions of the

Ruhr Authority and the termination of the Ruhr Agreement. The governments will put this agreement into effect as soon as the Treaty constituting the European Coal and Steel Community enters into force in accordance with its terms (Article 99).

2. As soon as the Treaty constituting the European Coal and Steel Community enters into force the agreement hereto attached, amending the agreement on prohibited and limited industries concluded on April 3, 1951, shall be signed by the High Commissioners on behalf of their governments in order to remove the restrictions imposed on German steel production and capacity.

3. When the Treaty constituting the European Coal and Steel Community enters into force, the Allied High Commission and its agencies (including the Combined Coal Control Group and the Combined Steel Group) shall cease to exercise those of their functions concerning coal and steel for which competence is given to the High Authority under the terms of the Treaty progressively as the High Authority is authorized to exercise competence under the Convention containing the transitional provisions.

In particular, the Allied High Commission shall cease to exercise:

a) Its functions under Article 22 of the Ruhr Agreement as soon as the functions of the International Authority for the Ruhr under Articles 15 and 20 are terminated.

b) All functions relating to investments or the management of steel or coal concerns, except as required for the application of Allied High Commission Law 27.

4. No provision of the present instructions shall have the effect of restricting the exercise by the High Commission of functions now exercised or to be exercised in conformity with the provisions of Law 27 and any regulations thereunder, or in execution of the said law and the said regulations.

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Agreement

Amending the Agreement Concerning Industrial Controls

The High Commissioners of France, the United Kingdom and the United States of America on behalf of their respective gov-

ernments hereby amend* the agreement concerning industrial controls in the French, the United Kingdom and United States areas of occupation in Germany signed on April 3, 1951 (hereinafter referred to as "the Agreement"):

Article 1

Article V of the agreement is amended as follows:

Delete:

- "a) steel
- b) electric arc and high frequency furnace steel."

Article 2

Article VI of the agreement is deleted in its entirety.

Article 3

The present agreement shall enter into force on the date of signature. +END

* The text of the pertinent articles of the agreement is as follows:

Article V

1. Control shall be maintained over capacity in the following industries:

- (a) steel;
- (b) electric arc and high frequency furnace steel;
- (c) shipbuilding;
- (d) synthetic rubber;
- (e) synthetic petrol, oil and lubricants, produced directly or indirectly from coal or brown coal;
- (f) ball and roller bearings, except equipment only capable of producing non-precision bearings.

2. No enterprise shall be permitted, except under license from the Allied High Commission, to increase the productive capacity of any of its plants or equipment that is engaged or partly engaged in the industries listed in this article, or of the industry as a whole, whether it is proposed to effect the increase by extension of existing facilities, the construction of new facilities or the addition of new equipment. Such licenses shall not be granted unless the Allied High Commission is satisfied with the arrangements made for the disposal of the capacity replaced.

Article VI

1. Subject to the provisions of Paragraph 2 of this article the production of crude steel shall be limited to 11,100,000 tons a year.

2. The Allied High Commission will allow crude steel to be produced outside the foregoing limitation where this will facilitate the defense effort.

Bibliography on the Ruhr

The following related documents have been published in past issues of the Information Bulletin:

Ruhr Authority—Agreement for International Control (signed April 28, 1949), Issue No. 153, Jan. 25, 1949, page 5.

A Summary of the Essential Provisions of the Schuman Plan Treaty Constituting a European Coal and Steel Community (signed April 18, 1951), Issue of April 1951, page 63.

Agreement on Relaxations of Control over German Industry (signed April 3, 1951), Issue of May 1951, page 64.

A selected list of articles published in the Information Bulletin includes:

—Meaning of Six-Power Agreement, by John Elliot, adviser to director, Civil Administration Division, OMGUS, Issue No. 138, June 29, 1948, page 21.

The Ruhr—Vital to Recovery, article by Robert R. Estill, director, US-UK Coal Control Group, Issue No. 141, Aug. 10, 1948, page 3.

Ruhr Industry's Problems, address by John J. McCloy, US High Commissioner, at dinner of Ruhr industrialists, political leaders and bankers in Duesseldorf-Graffenberg, June 16, Issue of August 1950, page 23.

Coal Productivity, statement by Michael Harris, chief, ECA Special Mission to Western Germany, Issue of November 1951, page 2.

"Glueck auf!", article by John J. Slocum, chief, ECA and Economics Branch, Public Relations Division, HICOG, on life of Ruhr miners, Issue of November 1951, page 3.

Coal in Postwar Germany, statement by US Element, Coal Control Group, Essen, Issue of December 1951, page 39.