Lend Lease : Aug. 1943

Files

August 5, 1943

MEMORANDUM FOR MR. CHARLES DENBY,
Assistant Administrator,
Lend Lease Administration.

Dear Mr. Denby:

In accordance with our telephone conversation, I am herewith returning the statement on reverse Lend-Lease, forwarded to Mr. Early on August 4th.

Alice Winegar

Enclosure - SECRET Preliminary Draft of Statement to be issued August 5, 1943, concerning Reverse Lend-Lease.

(Mr. Denby requested the return of this statement which is to be revised.)

OFFICE OF LEND-LEASE ADMINISTRATION
FIVE-FIFTEEN 22d STREET NW.
WASHINGTON, D. C.

E. R. STETTINIUS, JR.
ADMINISTRATOR

C.F. Lend Lease file FDR PSF

August 4, 1943

Dear Steve,

Herewith is a copy of the statement on reverse Lend-Lease I mentioned to you on the telephone yesterday afternoon.

If you have any comment or suggestion will you please let me have it not later than this afternoon?

With many thanks, and best wishes,

Sincerely yours,

Ed x4559

The Honorable Stephen Early
Secretary to the President
The White House
Washington, D. C.

x4193

OFFICE OF LEND-LEASE ADMINISTRATION
WASHINGTON, D. C.

OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, $300

SECRET

The Honorable Stephen Early
Secretary to the President
The White House
Washington, D. C.

G.F.
Lend Lease

PETROLEUM ADMINISTRATION FOR WAR

WASHINGTON 25, D. C.

AUG - 9 1943

file Confidential

My dear Mr. President:

I am pleased to enclose our August progress report to you on the subject of Supplies For The U.S.S.R.

As requested, a copy of this report has been forwarded directly to Major General J. H. Burns, Executive of The President's Soviet Protocol Committee.

Sincerely yours,

Harold L. Ickes

Petroleum Administrator for War.

x4495

The President,

The White House.

PETROLEUM ADMINISTRATION FOR WAR

WASHINGTON

SUPPLIES FOR THE U.S.S.R.

REPORT TO THE PRESIDENT

PETROLEUM PRODUCTS

In response to a request by the Soviet Trade Delegation in London, the Aviation Petroleum Products London Assignment Committee has allocated 270,000 barrels of 100 octane aviation gasoline for shipment from Abadan to Russia during July, August, and September. In accordance with arrangements previously discussed with the Aviation Petroleum Products Allocation Committee in Washington, replacement material will be made available from United States sources for those areas to which the Abadan material would otherwise be shipped. By agreement with the Soviet Government Purchasing Commission in Washington, 160,000 barrels of 100 octane gasoline previously allocated to the Russians, but not scheduled for immediate shipment, has been canceled and will be reallocated for lifting to the Middle East from supplies available in July. The 110,000 barrel allocation recently made to the Russians by the Aviation Petroleum Products Allocation Committee for August lifting will be used to liquidate the balance remaining on the obligation.

The Russians have requested 225,000 barrels of blending agent for September shipment from East and West Coast ports. To assure availability, the entire quantity requested has been allocated for release at manufacturing plants during August. Allocation of the 225,000 barrels of 100 octane aviation gasoline requested for September shipment has not yet been undertaken, inasmuch as this material will be manufactured at or near the ports and in consequence does not need to be allocated until later in August.

At the time the Russians indicated their estimated requirements under the Third (current) Protocol, they showed a total of 504,000 long tons of aviation gasoline and blending agents and only 10,000 tons of other petroleum products. In the light of past experience, we have been expecting requirements of considerable quantities of the so-called "other petroleum products". These expectations have already materialized, as requisitions thus far received for these types of products for shipment during the first two months of the Third Protocol period are already about two and one-half times as great as the quantities originally indicated for the whole year.

The following tabulation summarizes the petroleum product shipments that have been made to the U.S.S.R. during the period June 22, 1941 (the date of

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The German invasion of Russia) to July 31, 1943:

Aviation Gasoline and Blending Agents	3,128,803	Bbls.
Motor Gasoline	764,443	"
Miscellaneous Naphtha and Kerosene	39,586	"
Gas Oil	217,086	"
Fuel Oil	27,831	"
Lubricating Oil	160,042	"
Grease	5,888	"
Tetraethyl Lead	16,279	"
Lubricating Oil Additives	25,998	"
Total -	4,385,956	"

Ceresine and Paraffin Wax 3,357 Short Tons.

(Shipments diverted to the United Kingdom while en route to North Russia have been eliminated from these figures, and replacement shipments from the United Kingdom to North Russia have been included.)

PETROLEUM REFINING PLANTS

Completion of detailed engineering and the purchasing of materials for the six plants and units on the Second Protocol program are proceeding substantially on schedule. Out of a total of about 120,000 tons of equipment involved in the whole program, about 50,000 tons have been shipped to Russia, and another 40,000 tons have been sent from the manufacturers' plants to the West Coast for shipment as soon as the Russians assign boat space for it.

It appears doubtful that any of the plants will be completely erected and put into operation before July 1944. We are informed that no actual construction has been started at any of the plants, since construction tools necessary in this work have only recently been received in Vladivostok. The severe and protracted winter will naturally extend the work over a considerably longer period than if it were being undertaken in a more favorable climate.

An agreement regarding the American engineers who are to supervise the erection of the plants has been signed by the Soviet Government Purchasing Commission and the Office of Lend-Lease Administration. Three of these engineers are expected to leave for Russia by the end of August.

Early in July we were informed by representatives of the Purchasing Commission that Moscow had given instructions to rush the procurement of some of the refining units requested under the Third Protocol. In order to avoid the many disadvantages of piecemeal handling, it had been intended to treat all of the plants requested under this protocol as a single program in so far as the preliminary technical analysis was concerned. However, because of Moscow's urgent request that certain of the units be handled with the utmost expedition, the necessary figurations thereon were undertaken at once. These show that the

[redacted]

equipment costs and the strategic materials required for two of these units are more than twice as much as would be involved for similar plants in the United States program and in the other large foreign projects. This results from the Russians' wish to have material of only the highest peacetime standards, and from the much more extensive facilities and utilities required in Russia, as compared with those normally required in the United States and in other foreign areas. For another urgently desired plant the cost is estimated as approximately three times (on a unit production basis) that of similar equipment in the United States program.

OILFIELD EQUIPMENT

The value of equipment, including tubular goods, ordered for the Russians during the First and Second Protocol periods, amounted to slightly over $51,000,000. Approximately $35,800,000 (70 per cent by value) of this material had been fabricated by the close of the Second Protocol period (June 30, 1943), and the value of the material actually exported amounted to almost $13,000,000.

Equipment manufactured after June 30, 1943 will be charged against the Third Protocol, even though it was ordered under the terms of the First and Second Protocols. It now appears that by November of this year practically all of these First and Second Protocol orders will have been fabricated and will be ready for shipment from manufacturers' plants.

Information is still being awaited from the Soviet Government Purchasing Commission with regard to the further oilfield equipment desired under the Third Protocol.

RECOMMENDATIONS

We have no recommendations to make at this time.

[redacted]

file

WAR PRODUCTION BOARD

WASHINGTON, D. C.

August 16, 1943

G. F.
Lend Lease

IN REPLY REFER TO:

My dear Mr. President:

Attached hereto is a tabulation showing progress made during July toward fulfillment of materials and equipment production programs for the Union of Soviet Socialist Republics under the Third Russian Protocol.

This new, Third Protocol program was worked out by the War Production Board and other interested agencies with great care. Every effort was made to make it realistic. Offerings were kept within the approximate compass of reasonable shipping expectations, and provision was made for quick cutbacks in production schedules in case shipping should fall below anticipated levels.

At the same time, production conditions in this country were given careful attention. Where formerly commitments were made in terms of broad categories without regard to the possibility that orders within these categories would be restricted to a few tight industries, the new offers were made as specific as possible. The various Industry Divisions of the War Production Board surveyed schedules of particular industries and recommended programs which could actually be fitted into production lines.

Because of precautions such as these, it is felt that the Third Protocol will cause less difficulty than previous programs.

Nevertheless, the program is an ambitious one. In the case of raw materials, a smaller tonnage is provided than under the Second Protocol, but there is a greater preponderance of items in short supply and items which offer fabrication problems. In the case of industrial and related equipment, far more of practically every type item is included than was promised, or supplied, under the first two Protocols combined.

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In order that more complete details incident to the new program may be brought to your attention, I am attaching a review of the broader aspects of the various offerings included.

Respectfully yours,

Donald M. Nelson

x4735

The President
The White House
Washington, D.C.

Attachments

MATERIALS AND EQUIPMENT PROGRAM UNDER THE THIRD RUSSIAN PROTOCOL

I. RAW MATERIALS

From the general standpoint, the Third Protocol raw materials program requested by the USSR followed closely the lines of the Second Protocol program.

From the standpoint of quantities requested, however, the program submitted, unlike the Second Protocol, reflected limitations on shipping facilities. While the tonnages of non-ferrous metals and chemicals were somewhat increased, the tonnage of steel was drastically cut, and a number of items included in the Second Protocol were omitted. As a result, the net tonnage of the raw materials requested under the Third Protocol totaled approximately 1,000,000 S.T. less than the net tonnage requested under the Second Protocol, and approximately 500,000 S.T. less than was offered under the Second Protocol.

Despite this, however, it appeared that the requested Third Protocol program, if considered as a new production program, was still excessive when viewed against the background of accumulated stocks and shipping potentialities. Particularly was this true for steel where stocks equal to more than a year's shipping requirements, at the past rate of shipments, were on hand. For this reason, a new production tonnage somewhat under the requested tonnage was recommended by the War Production Board and accepted by the President's Soviet Protocol Committee. Moreover, fulfilment of the program was made conditional upon Third Protocol stocks being kept at a reasonable level. The War Production Board insisted that in the Protocol agreement offered Soviet representatives it be specifically stated that the US reserved the right to limit the size of stockpiles through curtailment of production where in its judgement such stockpiles seemed excessive.

A general view of the raw materials program may be seen in the following table:

(Thousand Short Tons)

ITEM	2nd Prot. Request	2nd Prot. Prod.Prog.	2nd Prot. Dels. in U.S.A.	3rd Prot. Request	3rd Prot. Prod.Prog. Offered
Non-ferrous Metals	219	203	226	237	187 1/
Ferro-Alloys	22	15	8	22	15
Cable 2/	72	112	77	128	111
Steel	2,003	1,443	798	850	710
Chemicals	82	119	137	204	202
Other Raw Materials	45	77	54	44	43
TOTAL RAW MATERIALS	2,443	1,969	1,300	1,485	1,268

1/ This does not include 600 S.T. of nickel contained in monel scrap.

2/ Tonnage figures given are gross weight of cable, not copper content.

A. NON-FERROUS METALS

Little emphasis was placed on the danger of large stocks accumulating in the case of non-ferrous metals, however. During the Second Protocol period, non-ferrous items, excepting some copper products, were picked up for overseas shipment as quickly as they reached port. Further, supply of several of the items in question (e.g. nickel, molybdenum, zinc, etc.) would help the USSR to produce itself some of the products which it needed (e.g. alloy steel, cartridge brass, etc.) but which it could not import because of shipping limitations. It was felt, therefore, that, except where the domestic supply situation made it impossible, non-ferrous requests should be met in full.

1. ALUMINUM

A total of 80,640 S.T. of aluminum ingots and fabricated aluminum combined was requested by the USSR. This compared with 36,690 S.T. offered and 47,886 S.T. actually delivered during the Second Protocol period.

At the time that the request came in, it appeared impossible for this amount to be promised. Forward supply-requirements estimates indicated that during at least the first half of the Protocol period, the US would be faced with a serious deficit. The aluminum offer was consequently limited to 53,760 S.T.

After submission of the Third Protocol offer, however, the War Production Board continued to study the aluminum situation from the standpoint of whether larger shipments might not be made. Recently, the conclusion was reached that during the first half of the Protocol period deliveries at the rate originally requested by the USSR (i.e. 6,720 S.T. per month, or 40,320 S.T. for the half year) could be arranged. It was not felt possible at that time to promise more than offered in the Protocol (i.e. 4,480 S.T. per month, or 26,880 for the half year) during the last half of the period, but officials of the War Production Board agreed to make every effort to continue shipments after January 1 at as high a rate as possible.

It should be noted that of the aluminum to be supplied under the Third Protocol, 18,000 S.T. are to be shipped from Canada as a part of its "Mutual Aid Program." This amount is not to be taken from supplies set aside for Canadian use, however. It is to be deducted from shipments earmarked for the US.

Aluminum to be supplied the USSR was not broken down by types and shapes. It was felt that the common interest could be best served if a detailed program were worked out from quarter to quarter in light of changing Soviet needs and developments in the domestic supply situation.

2. MAGNESIUM

The USSR requested 336 S.T. of magnesium metal per month (4,032 S.T. for the Third Protocol period), the monthly amount supplied during the latter part of the Second Protocol period.

The USSR had repeatedly requested shipments at this rate since the beginning of Lend-Lease aid to Russia (i.e. in both the First and

Second Protocols). Until February, 1943, however, the domestic supply-requirements situation was such as to prevent any being made available.

It was felt that magnesium was sufficiently easy to make possible granting the Third Protocol request without difficulty. For the third quarter, 1943 (the first quarter of the Third Protocol period), it was estimated that production would exceed requirements, including the 1,008 S.T. requested by the USSR, by at least 6,000 S.T. In the fourth quarter, the excess was expected to total some 13,000 S.T. Data for the first half of 1944 were not available, but no appreciable change in the situation was anticipated.

The magnesium requested was said by Soviet representatives to be greatly needed for the production of munitions, sources of Soviet supply having been drastically reduced as a result of the loss of the Ukraine and the Crimea.

3. NICKEL

The Third Protocol nickel request was for 9,405 S.T. (784 S.T. per month) in the form of pig nickel and nickel contained in steel and various non-ferrous products combined. This exceeded by 1,008 S.T. the amount (8,400 S.T. at the rate of 700 S.T. per month) anticipated by the Ferro-Alloys Branch and the Combined Raw Materials Board for the Third Protocol period.

The nickel situation of the US during the last half of 1943 and the first half of 1944 seemed likely to be very difficult. On the basis of studies by the Combined Raw Materials Board staff, the outlook appeared as follows:

A. Requirements for new supplies of nickel would total 296,850,000 pounds in the year 1943. This estimate was based on the assumption that stocks in India and Australia would be drawn down during the year and that there would be no net demand for new metal from those countries. If the prospective reduction in stocks was not realized, the requirements would total about 301,000,000 pounds.

B. The prospective new supply for the year from all sources was estimated at 294,480,000 pounds. This estimate assumed that Canadian production would continue without interruption at the rate to be achieved

during the second quarter, and no allowance was made for interruption in Canadian production because of labor difficulties or to the flow of New Caledonian supplies as a result of military developments.

C. Stocks on hand as of January 1 totalled 51,298,000 pounds of which at least 3,500,000 pounds were already earmarked for consumption, as indicated above. These stocks were badly distributed, with a very low level in the United States and Canada and a relatively high level in British Empire countries.

D. The intangible factors in the situation were generally on the unfavorable side. Thus: (a) the estimate of United States requirements seemed likely to have to be increased in the third and fourth quarters of the year if efforts by the Steel Division to increase the monthly production rate of alloy steel proved successful. Such an increase might be as high as 10%, or in excess of 20 million pounds; (b) there appeared to be many potential threats to the prospective rate of supply during the year, as already indicated; (c) any increase in shipping losses affecting matte moving to United Kingdom refineries would impose an additional obligation of from 1 to 3 million pounds.

E. During 1942 it was expected that supplies from Cuba would become available during the last half of 1943. However, there appeared to be very little prospect of any Cuban production actually being made available even in the late months of the year. At the most, 1 or 2 million pounds could actually be refined and delivered to consumers at the very end of the year.

In view of the precariousness of the balance between nickel supply and requirements, it was felt that no more than 8,400 S.T. (700 S.T. per month) should be promised the USSR under the Third Protocol.

However, it was decided to arrange the distribution of this amount between nickel metal to be exported as such and nickel to be set aside for use in the production of steel and other items containing nickel on USSR account in this country in such a way as to make possible shipment of a considerably larger quantity of nickel metal, which was most urgently desired by the USSR, than in the past.

During the first half of the Second Protocol period, an attempt was made to determine the amount of nickel to be made available for export by subtracting from the total nickel allocation the quantity delivered to US mills for use in the fabrication of steel, etc., on USSR account. Later, an attempt was made to make the calculation on the basis of the actual nickel content of products transferred to Soviet representatives in the USA.

From the operational standpoint, however, both of these methods proved impracticable. It was widely suggested, therefore, that during the Third Protocol period there be separate allotments for pig nickel and for contained nickel. The combined allotments would not exceed the over-all amount of nickel decided upon for the Protocol period (i.e. 8400 S.T.), but each would be independent of the other.

It was at first felt that there should be a commitment for 4,200 S.T. of pig nickel (350 S.T. per month) and a commitment for "up to" 4,200 S.T. of contained nickel.

Soviet representatives claimed, however, that if they were limited to 4,200 S.T. of pig nickel, the result would have been that they would receive considerably less than 8,400 S.T. of nickel in all forms during the Third Protocol period. In support of their position they pointed out that actual alloy steel requirements under the Third Protocol would not exceed 10,000 S.T. per month (under the Second Protocol they amounted to approximately 22,000 S.T. per month). Requirements for other non-ferrous products containing nickel would be no greater than under the Second Protocol. Thus, total requirements for "contained" nickel under the Third Protocol appeared likely to be approximately as follows:

Nickel in steel	1,050 S.T.
Nickel in nichrome wire	430 S.T.
Nickel in other non-ferrous products	920 S.T.
TOTAL CONTAINED NICKEL	2,400 S.T.

In view of this, it was decided to offer 5,400 S.T. of nickel metal for export as such, and to reserve only 2,400 S.T. of nickel for the fabrication of alloy steel and other products on Soviet account. In addition, the USSR was offered 600 S.T. of nickel to be exported in the form of pigged monel scrap.

4. MOLYBDENUM

The Third Protocol request was for 4,480 S.T. of molybdenum concentrates (2,285 S.T. of molybdenum metal), 480 S.T. more than was allowed under the Second Protocol.

It was felt that allowing an increase such as this would be unwise in view of the precarious supply-requirements situation.

In the last half of 1943 it was anticipated that requirements would exceed new supply by approximately 5,000,000 lbs. (2,500 S.T.) of metal.

Requirements for 1943 were estimated at just under 70 million pounds; new supply was estimated at a maximum of 64,530,000 pounds. Extraordinary efforts were being made in the United States and United Kingdom to hold consumption below the level of estimated requirements in order to bring actual consumption down to the estimated new supply. As a result of these efforts it was expected that actual consumption would be somewhere between 65 and 68 million pounds, which would still involve a reduction in stocks.

Stocks available to the United Nations fell by approximately 8 million pounds during the year 1942, bringing down the level of usable stocks (after allowing for necessary working stocks) to about 11½ million pounds. By the second quarter, 1943, these stocks were thus less than one-sixth of the annual consumption, or two month's supply. It consequently seemed that if stocks were allowed to decline by as much as 4 million more pounds during the year 1943, the total would be brought near to the point of danger at the beginning of 1944.

As a part of the campaign to cut consumption in the US and the UK, reductions of 10% in allotments for these countries were being enforced. It was felt by some that a similar reduction was justified in the case of the USSR during the Third Protocol period (i.e. that the Third Protocol commitment be for 3,600 S.T. of concentrates as against a Second Protocol commitment of 4,000 S.T.).

The War Production Board's final decision was, however, that the Soviet steel program was geared to imports at the rate of 4,000 S.T. per annum, and that this amount should be offered despite possible adverse effects on the domestic situation.

5. ELECTROLYTIC COPPER

(Copper in all Forms)

The Third Protocol electrolytic copper request was for 134,400 S.T. This request was not for copper to be exported as such, but for copper to be contained in copper base alloy brass mill products, copper brass mill products, wire mill products (including copper wire and cable, submarine calbe, marine cable, electric power and related cable), and other products containing copper.

While the request corresponded to the Second Protocol copper commitment, there was this difficulty about it. In contrast to the situation under the Second Protocol, the stated amount desired was less than the quantity of copper necessary for fabrication of the items which were supposed to be covered. On the basis of calculations of the copper content of the copper base alloys, pure copper products, wire and cable, various manufactures, etc., requested, it appeared that approximately 158,633 S.T. rather than the stated 134,400 S.T. would be required. This meant, in effect, that the over-all copper request was substantially larger (24,233 S.T.) than the Second Protocol requirement.

The copper situation of the US was such as to make it impossible to meet this increase without a corresponding reduction in the nation's armament and munitions programs. On the basis of the best data available it appeared that during the last half of 1943, copper requirements of the US would be such as to necessitate reducing US Government stockpiles practically to zero (C.R.M.B. Report No. 5). To allow the USSR a monthly quota approximately 2,000 S.T. in excess of its Second Protocol quota would obviously have made this precarious situation worse.

In view of this, it was felt that the new over-all copper commitment should be the same as under the Second Protocol, i.e. for the 134,400 S.T. specifically requested. To make this limitation practicable, as well as for other reasons, reductions in requests for pure copper products and for copper cable and wire had also to be made.

6. COPPER BASE ALLOYS

The Third Protocol request for copper base alloys (107,520 S.T.) was approximately the same as the Second Protocol commitment. It was

felt that the request could be met in full. The copper base alloys situation of the US seemed likely to be precarious during the Third Protocol year, stated requirements under C.M.P. exceeding estimated supply by a considerable margin in the case of all shapes. But it was believed that shipments on USSR account could be continued at the Second Protocol rate (i.e. approximately 9,000 S.T. monthly) without greater sacrifice than in the past.

7. PURE COPPER PRODUCTS

The request submitted was for 16,128 S.T., slightly more than allowed under the Second Protocol.

Because of the tightness of the domestic situation (requirements exceeding supply by a considerable margin), and because of a tendency of the USSR to allow excessive stocks to accumulate (only about half of the total quantity delivered after June 30, 1942, had been exported, and stocks totaled five months Protocol requirements and almost eight months average shipping requirements), it was felt that a small reduction in the request should be made, (i.e. from 16,128 S.T. to 15,000).

8. ZINC (SLABS)

The Third Protocol request for 13,440 S.T. of zinc was 24,678 S.T. less than the amount allowed during the Second Protocol period. During the first two months of the Second Protocol period shipments were at the rate of 1,500 S.T. per month. But beginning in September, 1942, they were increased to 3,500 S.T. because of the loss or damaging of production facilities in the Caucasus. The new request meant a reduction in monthly shipments from 3,500 S.T. to 1,120 S. T. The change in requirements was assumed to be due to the recovery and rehabilitation of Caucasian facilities.

The domestic supply-requirements situation indicated that no difficulty was likely to be experienced in supplying the reduced amount requested. The zinc outlook for 1943 showed a slight surplus for the year:

	(Short Tons)
Stocks, Jan. 1, 1943	63,130
New Supplies	827,354

(Short Tons)

Estimated Requirements, including USSR requirements of 3,500 S.T. per month January - June and of 1,120 S.T. July - December	794,730
Changes in Stocks Indicated	32,624 increase

The outlook for the first half of 1944 appeared roughly the same as for 1943. It was felt, therefore, that the request could be met in full.

9. COBALT

The Third Protocol cobalt request (161 S.T.) was slightly less than the amount allowed during the Second Protocol period.

The request had to be considered from the standpoint of the joint US - UK supply-requirements picture. There seemed to be ample conversion capacity in the United States, Canada and the United Kingdom to meet expected United Nations requirements in 1943. The estimated output of the three countries combined was approximately 6,100,000 pounds of cobalt in the form of metal, while joint stocks totaled some 1,500,000 pounds.

Consumption of metal in the three countries was estimated at about 4,500,000 pounds annually. As a result, refining facilities had not been operating at full capacity for some time. Formal requirements were estimated, however, at 5,250,000 pounds in the three countries as against the production rate of 6,100,000 indicated above. In view of the over-all favorable situation, it was felt that the US and Canada jointly could meet the request in full.

10. CADMIUM

The Third Protocol cadmium request was for 224 S.T.. While this quantity amounted to only a fraction of total production, furnishing it from US supplies was thought likely to complicate an already difficult domestic situation. The new supply of cadmium in the first quarter of 1943 was 2,095,000 pounds. Consumption was 2,100,000 pounds

and exports, all to the USSR 75,000 pounds, a total of 2,175,000 pounds. The deficiency had to be made up by reduction of industry stocks. A similar situation existed in the second quarter. As a result, industry stocks were forced down to a minimum working level.

Expansion of military programs during the last half of 1943 seemed likely to increase requirements by approximately 20% a quarter. With this, total requirements for the year were expected to come to approximately 12,000,000 pounds. New supply, on the other hand, was expected to be 9,370,000 pounds. In 1944, requirements were estimated at approximately 15,500,000 pounds, and new supply at approximately 9,400,000 pounds.

Thus, substantial deficits in the supply of cadmium appeared unavoidable, without allowance for any shipments to the USSR. It was decided, therefore, that Canada rather than the US should provide for Soviet requirements.

11. NICHROME WIRE

The amount of nichrome wire requested (538 S.T.) was the same as that allowed under the Second Protocol.

As the nickel content of nichrome would be covered by the nickel allotment, and as the small quantity desired offered no fabrication problems, the request was granted in full.

12. SPECIAL ALLOY WIRE

Under the Second Protocol, the "Special Alloy Wire" commitment for 269 S.T. was the source of considerable confusion. The O.L.L.A. treated the item as covering alloy wire other than steel alloy wire and approved as coming under it requisitions, totaling 276 S.T., for manganese nickel wire, manganin wire, nickel silicon wire, constantin magnet wire, pure nickel and nickel alloy wire and strip, tungsten alloy metal, tantalum wire, alumel wire, cromel wire, copel wire, and molybdenum wire. The Steel Division, on the other hand, treated the items as covering special steel alloy wire and approved as coming under it requisitions, totaling 3,069 S.T., for welding wire, welding electrodes, cold drawn bright steel wire and chrome manganese steel wire.

It was decided that in the Third Protocol this item should be defined as including special wires and alloys other than steel wires and alloys. It was further decided that since many products which

might be included in this category were in extremely tight supply (e.g. molybdenum wire and tungsten wire), no specific commitment could be made, it being stated instead that the quantity to be supplied would be dependent on formal approval of requisitions submitted from the standpoint of types, specifications, quantities, and delivery schedules, providing, however, the total approved does not exceed 269 S.T. during the Protocol year.

B. CABLE

Under the Second Protocol, Soviet cable requirements were relatively very large, totaling altogether some 112,000 S.T.

Considerable difficulty was experienced in trying to meet these requirements. Despite constant pressure on producers, deliveries were behind schedules. Toward the end of the Second Protocol period deliveries were greatly accelerated and accumulated deficits were largely wiped out. Achievement of this, however, severely taxed the resources of the industry.

The new cable requests totaled considerably more than Second Protocol commitments in copper content required and in number of miles, though their gross weight were slightly less. Full satisfaction of the requests, therefore, seemed likely to present numerous problems and would have meant continuing the present strain on the industry.

The acute need of the USSR for all the cable which it could get was taken for granted. It was clearly recognized that for the rehabilitation of reconquered areas, for the expansion of production in the industrial districts of the East, as well as for direct military purposes, far greater quantities than those asked could undoubtedly be very profitably utilized.

Whether, though, the need would be so great that all the cable produced would be exported under existing shipping conditions was felt to be a matter of question. Appreciable stocks were already accumulating despite the fact that before the first quarter, 1943, deliveries had been very small. It was estimated that if the new requests were granted in full, the resultant Third Protocol production together with stocks already on hand would leave a total of approximately 175,000 S.T. (net weight) of cable being available for export during the Third Protocol period. Moving this quantity would require monthly liftings about one-third as great as the average monthly liftings of all steel items, including railroad materials, shipped during the Second Protocol period.

1. SUBMARINE CABLE

Fifteen hundred kilometers were requested. This was two and a half times the quantity requested under the Second Protocol and approximately twice the amount allowed.

US fabrication facilities were heavily loaded with Army and Navy orders and there seemed no prospect of a let up. In consequence, it appeared that serious production difficulties would be encountered if the entire quantity requested were allowed. The offer was limited, therefore, to 600 kilometers.

2. MARINE CABLE

The Third Protocol request was the same as under the Second Protocol, though somewhat less than the quantity allowed. No difficulty was envisaged by either the Copper Division or the Bureau of Ships, Navy Department, in fabricating the quantity desired, and the request was granted in full.

3. COPPER CABLE AND WIRE

Some 33,600 S.T. of bare copper cable and wire were requested. The Second Protocol contained no corresponding item. There was a Second Protocol commitment for 38,424 S.T. of "Miscellaneous Copper Cable and Wire" (Item 74A), but the requisitions submitted against this were almost entirely for insulated wire and cable. In contrast, it was stated that requisitions to be submitted against the "Copper Cable and Wire" item of the Third Protocol would be for pure copper wire only.

The request indicated a several-fold increase in the USSR's requirements for this type wire, nothing approaching the stated amount having been asked for before.

Supply of the quantity desired appeared to offer no very great difficulty from the fabrication standpoint. However, considerably more copper than all of the cable allowed under the Second Protocol combined would have been required. It consequently seemed that the request ought to be reduced, particularly since, as pointed out above, the amount of copper necessary for the fabrication of the items supposed to be covered by the "over-all" copper commitment exceeded the quantity of electrolytic copper actually requested and recommended by some 24,000 S.T.

It was recommended, therefore, that the commitment for copper cable and wire be for no more than 20,000 S.T.

4. ELECTRIC POWER CABLE

The request was for 12,000 kilometers, the amount requested and allowed under the Second Protocol.

On the basis of study of advance specifications, it was concluded that the request could be met.

C. FERRO-ALLOYS

The Third Protocol ferro-alloys request was for a total of 21,504 S.T. The particular kinds desired were not specified, but it was understood that the quantity requested would be confined to ferro-silicon and ferrochrome.

The entire request was made on the US. However, since ferro-silicon and ferrochrome under the Second Protocol were supplied by the US and UK jointly, and since no separate request was made on the UK, the request was in effect a joint request. Considered as such, it was the same as the Second Protocol commitment.

Under the Second Protocol, 13,440 S.T. of ferrosilicon (1,120 S.T. per month) and 8,064 S.T. of ferrochrome (672 S.T. per month) were allowed, with the US scheduled to furnish 9,408 S.T. of ferrosilicon and 5,376 S.T. of ferrochrome, and the UK to furnish (from Canadian supplies) 4,032 S.T. of ferrosilicon and 2,688 S.T. of ferrochrome.

It was understood that in case the Third Protocol commitment did not exceed the quantity provided under the Second Protocol, the UK would be willing to continue the Second Protocol arrangement. This meant that consideration had to be given only to the question of whether the US could supply as much as 9,408 S.T. of ferrosilicon and 5,376 S.T. of ferrochrome.

The domestic situation in regard to both ferrosilicon and ferrochrome was reported to be very difficult. It was estimated that US requirements, including small amounts for the UK and negligible amounts for O.E.W. countries, would absorb the entire output of furnace capacity to the beginning of 1944. Moreover, there were no stocks beyond regular working stocks. Capacity could be expanded through the installation of new furnaces, but this would involve the use of critical materials and would result in the absorption of large blocks of electric power. Moreover, it would be at least six months before expansion could bring about an increase in supplies.

Along with the problem of the tightness of the domestic situation, there was the problem of accumulated Soviet stocks. Since the beginning of the Second Protocol period, practically none of the ferrosilicon or ferrochrome allocated to the USSR had been lifted. Despite the fact that allocations were suspended in February, stocks of ferrosilicon and ferrochrome totaled more than five months full Protocol requirements, and at the past rate of export were sufficient to meet several years shipping needs.

The War Production Board was agreeable to supplying the USSR with the ferrosilicon and ferrochrome requested, despite the resultant strain on US programs, provided there was assurance that supplies taken from domestic consumers would actually be shipped to the USSR. But considering the stocks situation, it was felt that a commitment ought not to be made to resume allocations of either ferrosilicon or ferrochrome to the USSR until substantial liftings had taken place. A commitment was made, therefore, only with the specific understanding that allocations would begin only when stocks were reduced to two months Protocol requirements.

D. STEEL

The Third Protocol request, as originally submitted, was for approximately 660,000 S.T. This compared with a Second Protocol commitment of 1,443,424 S.T. and with Second Protocol deliveries of 798,409 S.T. (Second Protocol deliveries were less than the commitment because of deliberate curtailment of production due to excessive seaboard stocks.)

The Steel Division of the War Production Board reported that production of the quantity requested would offer no difficulties, except for the tightness of carbon ingot. However, it was felt that the US should not commit itself to produce this quantity for the USSR until existing Soviet stocks were reduced to a reasonable level. At that time, between 600,000 S.T. and 650,000 S.T. of steel in various forms were held in warehouses and at seaboard on USSR account. While a few items, notably pipe, wire, and railway materials, accounted for the greater part of these stocks, they included sizable quantities of practically every type steel included in the Soviet Program. At the average rate of liftings of the past it would require at least twelve months to eliminate the stocks. Further, if the full 55,000 S.T. per month requested were produced, the result would inevitably have been a further growth of stocks rather than a reduction, since average overseas shipments were not totaling nearly 55,000 S.T. per month.

It was decided, therefore, that no more than 10,000 S.T. per month of carbon steel and 10,000 S.T. of alloy steel (i.e. a total of 20,000 S.T. per month or 240,000 S.T. for the Third Protocol year) should be placed in production until and unless stocks were reduced to a reasonable level, i.e. to approximately 250,000 S.T.

After this offer was formulated, however, the Soviet Government Purchasing Commission reported that a radical change in USSR steel requirements had taken place and that 560,000 S.T. of rails and accessories were urgently needed during the Third Protocol period. The reason given was the need for reconstruction of railways destroyed by the Germans in recaptured regions of the Northern Caucasus and the Eastern Ukraine. It was stated that some 8,000 miles of railways had been completely ruined and that continued military operations made it imperative that they be rebuilt. Every assurance was given by the Commission that the rails requested would be exported through additional shipping facilities being provided for steel (i.e. would be exported without a reduction in the previously planned movement of other steel being produced, or in stock).

The War Production Board considered with fullest sympathy the possibility of meeting this new request. Rail capacity was reported extremely tight because identical facilities were required for rails and shell steel. After investigation, it was decided that through using domestic capacity to the limit and through taking advantage of some idle Canadian facilities, a total of 420,000 S.T. of rails and accessories could be offered for the Protocol year, provided Soviet stocks were reduced to 250,000 S.T. and provided export of the amount produced was effected. In addition to rails and accessories, 125,127 S.T. of other carbon steel, 114,603 S.T. of alloy steel, and 50,270 S.T. of miscellaneous steel for the Arctic and Fishing programs were offered. Thus the total Third Protocol steel offer came to 710,000 S.T.

It should be noted that since the revised steel program was worked out, energetic efforts have been made to bring about the reduction of the steel stockpile to the 250,000 S.T. specified in the Protocol offer. However, so far these efforts have not been entirely successful. The USSR has agreed to the diversion of more than 200,000 S.T. of stocks, but only slightly more than 50,000 S.T. have actually been taken over by other claimants. As of August 1, stocks still "claimed" by the USSR totaled more than 400,000 tons, while stocks actually held for the USSR (i.e. "claimed" stocks plus stocks offered for diversion but not taken up by other claimants) totaled some 550,000 S.T.

It should also be noted that steel exports during July and estimated exports during August were considerably less than anticipated by Soviet representatives.

In view of these two developments it now seems unlikely that it will be necessary to produce during the Third Protocol period anywhere near the full 710,000 S.T. of steel offered.

E. CHEMICALS

The Third Protocol chemicals program was substantially different from that of the Second Protocol. A number of important items included in the Second Protocol were omitted from the Third. Included among these were:

ITEM	2ND PROTOCOL COMMITMENT (Short Tons)
Sodium Bromide	1,800
Phosphorus	2,400
Dibutyl Phthalate	3,600
Dimethylaniline	3,000
Diphenylamine	1,800
Colloxylin	4,800
Ammonia Chloride	4,800
Potassium Nitrate	3,600
Ammonia Cyanide	3
Centralite	600
Resarin	120
Barium Peroxide	300
Strontium Oxalate	96
Rodalite	6
Torium	3
Cerium	18
Potassium Sulphate	1,800
TOTAL	28,746

In addition, the amount of "Other Chemicals" requested was considerably less than in the case of the Second Protocol. This was

interpreted to mean that the USSR would no longer require a great many of a wide variety of items which had hitherto been ordered under this category.

In contrast to these omissions and reductions, several new items were added. The amounts desired in these cases were so large that the total quantity of chemicals requested exceeded the amount allowed under the Second Protocol.

Except for one or two items, it was not anticipated that supply of the quantities requested will present very serious difficulties.

Nevertheless, the chemicals program seemed to raise certain problems. One was the problem of "carry overs" in the case of items included in the Second Protocol but not included in the Third. On June 30, 1943, considerable stocks of several of the chemicals omitted from the new request existed in this country. Further, many uncompleted orders still remained on the books. This naturally brought up the question as to whether these stocks were to be available for diversion to domestic consumers, and the question as to whether outstanding orders were to be cancelled.

Another problem was that of shipping possibilities. During the Second Protocol period only a fraction of the chemicals which were made available were exported. By June 30, 1943, more than 70,000 S.T. were held at plants, in warehouses, and at port. This situation lead to the question of whether it was desirable to make commitments to deliver fixed amounts of chemicals during the Second Protocol period irrespective of whether corresponding liftings took place.

Of the several items requested, it was felt that, from the supply standpoint, the amounts specified could be promised in all cases except phenol, glycerine and ethyl alcohol. Tight domestic supply situations made it necessary to reduce the phenol request from 13,440 S.T. to 12,000 S.T. and to limit the firm commitment for glycerine (in the amount requested) to a six months period. Difficulties incident to the transport of ethyl alcohol to port made necessary making this commitment conditional upon satisfactory lifting arrangements being worked out.

However, each chemical offer was made with the express understanding that allocations would take place only as the stocks and shipping situation seemed to justify.

F. RUBBER

The request was for 40,320 S.T. of rubber contained in tires, tubes and other rubber products, the same as under the Second Protocol.

On the basis of calculations of the forward supply-requirements situation through 1943 and 1944, it appeared that the US could safely undertake to furnish this quantity. Since, however, there seemed to be a possibility that developments during the next half year may upset advance calculations, it was felt that the Third Protocol commitment should be limited to the period July 1, 1943 to December 31, 1943, with it being understood that prior to December 31, a commitment for the last half of the Protocol period would be negotiated.

II. INDUSTRIAL EQUIPMENT

Specific requests for industrial and related equipment included in the Third Protocol "Program of Requirements" submitted by the USSR to the US, together with various supplementary requests, totaled about $900,000,000 in value.

It was stated, however, that the items covered by these requests were desired in addition to items placed on order but not delivered prior to June 30, 1943. This meant that the total amount of industrial and related equipment desired during the Third Protocol period was approximately $1,273,000,000, roughly $373,000,000 of equipment being already on order for delivery after June 30.

This $1,273,000,000 of equipment requested for the Third Protocol year compared with an estimated total of $296,000,000 made available between October 1, 1941 and June 30, 1943, i.e. during the First and Second Protocol periods combined.

Against the requested $1,273,000,000, it was felt that a commitment could be made to make available $456,000,000 of equipment provided new orders were for standard types of items, and provided specifications as to suppliers and delivery schedules were acceptable to the appropriate Industry Divisions of the WPB.

In addition to the specific offer of $456,000,000, the USSR was given the right to include in its Third Protocol selections for export such industrial equipment as had been produced but not shipped prior to June 30, 1943. The amount of this equipment was estimated at slightly more than $100,000,000. Further, it was understood that industrial equipment items which the USSR had on order as of June 30, 1943, but which were not included in the $456,000,000 program specifically offered would be allowed to continue under production and would be made available to the USSR for inclusion in its tonnage selection. The amount of this equipment was estimated at some $70,000,000. Thus, under the Third Protocol equipment program it appeared likely that altogether about $626,000,000 would be made available for export to the USSR.

Arrangements were also made for getting underway industrial equipment desired for delivery after June 30, 1944. In the Protocol offer, it was provided that the US would consider accepting during the Third Protocol period orders totaling not more than $300,000,000 for delivery during the Fourth Protocol period.

The industrial equipment program, when viewed from all angles, was far more ambitious than under the First or Second Protocols. However, because of certain circumstances the impact of the program on domestic programs and on the materials situation seemed likely to be less than was that of the program put into effect at the beginning of the Second Protocol period. A large part of the equipment which was to be produced had already been placed on order and provision for it had been made in manufacturers' schedules and in plans for allotments of materials. Many were in advance stage of fabrication and the materials required for their completion were already in the hands of contractors. Moreover, the position of most of the industries involved in the program appeared much easier than had formerly been the case. According to reports of WPB Industry Divisions, in the case of a great many items, notably, machine tools, forging presses and hammers, power equipment, cranes, and several miscellaneous items, larger quantities than those offered could have been promised if fabricating facilities had been the only criterion.

The tonnage of the Third Protocol new production program, including items ordered but not specifically included in the Protocol offer, was estimated at about 400,000 S.T. The tonnage of items already produced and on hand was estimated to be slightly more than 100,000 S.T. Thus, the total tonnage of industrial equipment which would be available for export during the Protocol period came to more than 500,000 S.T.

In view of the existing stock situation, it was felt that there was a real danger that a tonnage offering of this size would lead to the growth of excessive stocks. Nevertheless, at the moment it was felt that the offer should be made, it being understood, however, that stocks would have to be watched closely and cut-backs in production arranged in case they became too large.

There is given below a detailed statement of the specific industrial equipment offerings made, and of the considerations which underlay them.

A. HARD ALLOYS FOR CUTTING TOOLS

The Third Protocol request ($3,000,000) exceeded the total made available between October, 1941, and June, 1943, by about two times. Nevertheless, it was felt that the request could be met without difficulty. US production of tool tips and blanks equals about $36,000,000 per year. A $3,000,000 Third Protocol allotment would thus require slightly more than 8% of our total capacity.

B. ABRASIVES

As finally worked out, the abrasives request was for 6,136 S.T. of abrasive grain and $5,500,000 abrasive products.

The domestic grain situation appeared very tight, particularly insofar as the concentrated sizes required by the USSR were concerned. It was felt, therefore, that it would not be possible to supply the 6,136 S.T. requested. On the basis of experiences during the Second Protocol period and the general condition of the industry, a commitment for 4,000 S.T. was decided upon.

The domestic situation in regard to abrasive products was also difficult. It was anticipated that during the latter part of 1943 and early 1944 requirements would exceed supply by approximately 25%. A commitment for $4,000,000, as against the $5,500,000 request, was, therefore, offered.

C. ANTI-FRICTION BEARINGS

During the First and Second Protocol periods, the US experienced great difficulties in attempting to meet USSR requirements for anti-friction bearings. In addition to the general problems which beset the industry, i.e. limitations on production facilities, inadequate supplies of steel, and huge backlogs of high urgency orders, Soviet orders presented peculiar problems in that many were for bearings of a type not normally produced in this country, and many others were for bearings in great demand for tanks and planes. Because of these difficulties, deliveries of bearings on USSR account were very small, amounting to less than $6,000,000 during the First and Second Protocol periods combined.

For the Third Protocol, Soviet representatives presented a program amounting to thirty odd million dollars (old and new orders). It was felt that during the new Protocol year shipments could be greatly increased over the rate maintained in the past. However, it did not seem likely that it would be possible to supply more than $15,000,000 all told, i.e. two and one half times the amount supplied between October, 1941 and June 30, 1943. Since requisitions already placed called for delivery of approximately $18,000,000 of bearings after June 30, 1943, under the offer submitted no more requisitions can be accepted during the Third Protocol period unless part of the outstanding requisitions are cancelled. The War Production Board would favor such cancellations provided the bearings to be substituted are of standard US types.

D. MACHINE TOOLS

Altogether, Soviet representatives requested 24,000 machine tools totaling approximately $228,000,000 in value.

The Tools Division of the War Production Board reported that the machine tools situation was relatively easy and that if facilities were the only factor involved it would be possible to supply the full amount requested. In the case of practically all manufacturers, deliveries were said to be outrunning orders, and many faced the prospect of partial shutdowns within a short period. Materials and labor, however, were felt to offer limitations not offered by facilities. Plans called for severe reductions in materials allocations to the machine tool industry, and for the possible conversion of machine tool facilities and labor to the production of other products. It was felt, therefore, that the Third Protocol commitment should be limited to a guarantee to deliver such items as were on order as of June 30, 1943. This meant a commitment for $120,000,000, and would result in shipments approximately equal to those made during the twenty-one month period between October 1, 1941 and June 30, 1943.

E. ROLLING MILL EQUIPMENT

Altogether, six mills consisting of one blooming mill, one rail and bean mill, two tube mills, one merchant mill, and one billet mill were desired. The cost of the six mills, together with accessories, was estimated to total $29,000,000.

These mills were a part of a metallurgical program which the USSR had submitted to the US several times. The US had accepted a fraction of the program, but it had had to reject the greater part because of the demands of the domestic steel expansion program.

When the new request was submitted, the domestic program was still in such condition that actual production on all of the new mills requested could not be begun before January 1, 1944 without serious interference resulting. Further, acceptance of the entire program would have intensified the acute shortage of critical materials. In view of these factors, it was decided that only the rail mill, the urgent need for which had been reiterated by Soviet representatives, be approved in addition to items which were already on order for delivery after June 30, 1943. As the value of the rail mill was estimated at approximately $11,000,000 and as the carry-over of old orders into the Third Protocol period amounted to about $5,000,000, this meant a commitment for $16,000,000.

F. PRESSES, FORGES, HAMMERS AND RELATED EQUIPMENT

The total requested was approximately $50,000,000. Included were 200 hydraulic presses, 2,000 mechanical presses, 300 steamdrop and forging hammers, 100 forging machines, and $8,000,000 worth of miscellaneous equipment.

It was reported that except for one or two categories, the full request could be met, provided labor, allocations of materials, and fabricating facilities were kept at the existing level. Since, however, retrenchment was contemplated in the affected industries, particularly insofar as allocation of materials was concerned, it was felt that delivery of not more than $30,000,000, the approximate amount on order as of June 30, should be guaranteed during the Third Protocol period.

G. WIRE DRAWING EQUIPMENT

The request was for $3,000,000.

The Tools Division reported that adequate capacity existed for supplying the entire amount. However, materials allocated to the industry were being drastically reduced and it was decided that the commitment should be for no more than $2,000,000.

H. ELECTRIC FURNACES

Electric furnaces requested included $6,000,000 of metal melting furnaces (200 units) and $6,000,000 of heat treating furnaces (400 units).

The amount desired exceeded by more than three times the total supplied during the First and Second Protocol periods combined. Nevertheless, the Tools Division felt that the request should be granted. Domestic production was at the rate of about $45,000,000 annually in the case of metal melting furnaces, and $120,000,000 annually in the case of heat treating furnaces. Meeting the request would thus require about 13% of our total electric furnace capacity and about 5% of our heat treating capacity. Domestic requirements were rapidly falling off and it was anticipated that by the end of the year the supply situation would be relatively very easy.

I. VARIOUS INDUSTRIAL EQUIPMENT

In the Third Protocol Program of Requirements submitted by the USSR, it was stated that the total amount of equipment desired under Item 4 of Group III, "Various Industrial Equipment", was $120,000,000. However, the total value of the several particular items requested under this category, as estimated by USSR representatives, was considerably greater, the exact figures being $153,446,000 against $120,000,000.

In the case of most of the items included in the specific schedule attached to the request, notably cranes other than truck and tractor cranes, compressors, blowers, exhausters, fans, furnace equipment, welding equipment, and pneumatic tools, the prospective situation of the particular industries involved seemed such as to make it appear reasonable to grant the full amounts requested. However, the placing of orders for "various industrial equipment" of types other than those included in the specific schedule has been so prolific that an enormous backlog had to be carried over into the Third Protocol period. It was felt that since these orders required the same materials, the same critical components, and the same types of labor as the items specified, continuing them under manufacturers schedules would make it impossible to allow the full amounts requested in the case of such items as those mentioned above without inviting a terrific jam and an endless series of bottlenecks. It consequently was felt necessary to recommend in most instances offerings considerably under the requested amounts. It should be noted, however, that in practically all cases recommended offerings still called for deliveries several times greater than the total made available during the First and Second Protocol periods combined.

It also should be noted that in addition to the total of $120,000,000 of "Various Industrial Equipment" offered, there was on order as of June 30, 1943, approximately $70,000,000 of "auxiliary equipment" which belongs in this category. The War Production Board has agreed that this equipment shall be allowed to continue under production under existing ratings, but without guarantee that deliveries in excess of the offered amount will be made.

J. POWER EQUIPMENT

The USSR requested power equipment totaling 1,354,050 k.w.

in capacity and approximately $140,000,000 in value 1/ in addition to roughly $13,308,126 of equipment requisitioned during the Second Protocol period but not delivered as of July 1, 1943. The USSR also requested as a part of its power program industrial boilers valued at about $23,415,000 in addition to some $5,445,103 undelivered as of July 1.

The Power Division of the War Production Board over a period of several weeks studied the possibility of the requests being met. It came to the conclusion that adequate fabricating capacity would be available for the supply of most of the equipment either during or shortly after the end of the Third Protocol period. Specifically, it decided that power equipment totaling 1,195,326 k.w. in capacity and $131,457,000 in value, together with $23,415,000 of industrial boilers, could be made available by October, 1944.

The Power Division in its analysis took into account only the question of availability of fabricating capacity. It did not consider the problem of whether or not the necessary materials could be supplied. The principal materials involved are: for the power equipment, approximately 77,000 tons of steel and 4300 tons of copper; for the industrial boilers 24,000 tons of steel and 8 tons of copper; or for the whole program envisaged by the Power Division, 101,000 tons of steel and 4300 tons of copper.

Because of four factors, officials of the War Production Board felt it advisable to recommend inclusion of less than half of the requested program in the Third Protocol. These factors were:

1. Third Protocol offers were considered guaranteed offers and there was considerable doubt as to whether more than some fifty or sixty million dollars of newly ordered equipment could actually be made available by June 30, 1944;

2. Immediate inauguration of such a large program would increase pressure on the already critical raw materials situation;

1/ In the original "Program of Requirements" submitted by the USSR, power equipment (including industrial boilers and supplementary electrical equipment) valued at $135,000,000 was requested. As a result of increase in the items desired and revision of cost estimates, however, this figure subsequently was raised to approximately $183,000,000 (i.e. $140,000,000 power plants; $20,000,000 supplementary electrical equipment; and $23,000,000 industrial boilers).

3. Immediate inauguration of the program would tie up for approximately fifteen months virtually all fabricating facilities capable of producing light equipment not already "spoken for" and would consequently seriously handicap the ability of the country to take care of unanticipated or emergency Army, Navy and Maritime requirements.

4. Shipping prospects appeared to be such as to make it seem unlikely that so large a quantity of equipment could be lifted even if it were produced.

The specific recommendation of the War Production Board was that a total of $75,000,000 of power and related equipment (about twice the amount made available between October, 1941 and July, 1943) be offered for delivery during the Third Protocol period. This $75,000,000 was to include deliveries against both orders carried over from the Second Protocol (estimated at $18,000,000) and new orders to be placed under the Third Protocol (approximately $57,000,000). The offer recommended by the War Production Board was approved by the Protocol Committee and transmitted to the Soviet Government.

The offer to deliver only $75,000,000 of equipment before June 30, 1944 did not preclude the possibility of the USSR getting more of its program under way during the course of the Third Protocol period. It was understood that power equipment over and above the $75,000,000 offered could be requisitioned for delivery after June 30, 1944 under the above mentioned $300,000,000 "advance order" allotment.

Nevertheless, with the reduction it was necessary that the program, as originally worked out, be drastically revised. This raised the problem of the type of plants which the USSR would be permitted to order, both under the "Third Protocol" allotment and under the "advance order allotment".

Of the 1,195,325 k.w. capacity which the Power Division reported could be made available, 554,925 k.w. ($85,781,100) were made up of small units (i.e. Diesel, steam and hydro plants ranging from 100 k.w. to 7,500 k.w.), while 640,400 k.w. were made up of large units (i.e. steam and hydro plants ranging from 11,000 to 75,000 k.w.).

At the suggestion of the OLLA, the desirability of limiting the plants which the USSR would be permitted to order to the smaller types was seriously considered. In favor of such a limitation was cited the following:

a) The light units could be put into operation in the USSR several months earlier than the heavy units. The time required for fabrication is not appreciably greater in the one case than in the other, but the time required for installation is. It is estimated that it would be late in 1944 or early 1945 before many of the heavy units would be in service. On the other hand, it would be possible to begin utilizing the light units within a few months.

b) The usefulness of the light units would increase rather than decrease in case the Russian front should again become fluid. The reverse is true of the heavy units.

c) The light units could be more easily transported, both overseas and overland into Russia.

On the other hand, the following was cited against a limitation affecting procurement of the larger plants:

a) Soviet representatives have stated that with some exceptions the USSR needs the larger units more than the smaller.

b) A considerably greater k.w. capacity would be secured per dollar of value and per pound of material in the case of the large units (especially the hydro units) than in the case of the small. The approximate ratio is as follows:

	Small Units	Large Steam	Large Hydro	Large Steam & Hydro
K.W. per $1,000	6.4	11.8	23.4	14.3
K.W. per ton Steel	10.8	16.6	22.1	18.2
K.W. per ton Copper	231.1	333.3	333.9	333.5

c) The heavier equipment offers a much less difficult fabricating problem than the lighter. This is because small plants compete with Navy and Maritime items whereas large plants are made on machine tools and in establishments not generally required for Navy or Maritime work. It appears that if the larger units are not placed on order for the USSR, much manufacturing capacity capable of handling such equipment will remain idle. On the other hand, if the smaller units are not supplied, domestic orders will probably take up all available capacity.

d) Most of the power equipment so far supplied or ordered for the USSR is of the smaller type. To limit the new power program to such equipment might as a result lead to a definite lack of balance in the USSR's power facilities.

e) Although the expression "large plants" is used in connection with this second type of equipment, the equipment in question is actually medium size.

While until the present the OLLA has not permitted the requisitioning of the larger units, the matter has not yet been finally resolved. It is currently before the President's Protocol Committee for decision.

K. CUTTING AND MEASURING TOOLS

Two distinct types of equipment were covered by this request, which totaled $18,000,000. One was small metal cutting tools ($12,700,000); the other gauges and precision instruments ($5,200,000).

The metal cutting tools consisted of drills, reamers, milling cutters, and other cutting attachments for metal working machine tools. The amount requested was less than the total supplied by June 30, 1943. It represented a fraction of the capacity of the industry which currently amounts to about $400,000,000 annually. It was therefore felt that up to $15,000,000 could be allowed without difficulty.

The gauges and precision instruments consisted of micrometer calipers, bevel protractors, gauge blocks, various gauges, etc. The amount requested was almost three times the total requisitioned between October, 1941 and June, 1943, and was nine times the amount delivered between October, 1941 and June 30, 1943.

Total US capacity for equipment of this type was reported to be approximately $72,000,000. However, there were five or six month backlog of orders and new orders were still exceeding deliveries. Moreover, types required by the USSR did not cover the entire industry, but were confined to a relatively few types and companies. It was felt, therefore, that the maximum amount which the US could agree to supply was $3,000,000.

L. CONTROL INSTRUMENTS AND TESTING MACHINES

The request covered such items as tool makers microscopes, comparators, Rockwell hardness testers, other hardness testers, etc. Deliveries between October, 1941 and June 30, 1943 amounted to approximately $250,000, or about one-eighth of the amount requested during the Third Protocol period.

US production was estimated at about $30,000,000 per year. A considerable backlog of orders was held by all manufacturers, but deliveries were beginning to exceed new orders and it was felt that

the situation of the industry might be fairly easy by the end of 1943. It was felt, therefore, that the request could be met in large part (i.e. $1,700,000 could be supplied against a request for $2,000,000), provided new orders, unlike old orders, were fairly well distributed as to types and suppliers.

M. EMERGENCY EQUIPMENT

It was recognized that unforeseen developments might create an urgent need in the USSR for equipment not otherwise provided for in the Protocol. In order to take care of such emergencies, it was decided that the US would supply up to $25,000,000 of equipment over and above the items covered by specific commitments, provided, however, requests submitted were truly emergency and provided specifications were acceptable to the WPB.

N. SUPPLEMENTARY PROGRAMS STILL UNDER CONSIDERATION

After the formulation of Third Protocol offers, Soviet representatives presented supplementary requests for several additional equipment items. Included were a synthetic rubber plant program, chemical plants, a new refinery program, and a cord and chafer plant. It was found necessary to deny the chemical plants and the cord plant, but the requests for synthetic rubber plants and for additional high-octane refineries are still under consideration. If it should be decided to grant these, in whole or in part, it would mean an appreciable addition, in terms of both value and supply problems, to the various programs discussed above.

STATUS OF MATERIALS AND EQUIPMENT PRODUCTION PROGRAMS UNDER THE THIRD RUSSIAN PROTOCOL, AS OF AUGUST 1, 1943

(JULY DELIVERY FIGURES SUBJECT TO REVISION)

Protocol Item No.	Item	Unit	3rd Protocol Production Program	Made Available at Mill in U.S.A. July 1, 1943 - July 31, 1943	Percent of 3rd Prot. Program Completed as of Aug. 1, 1943	Ratio of Actual Deliveries to Prot.Sched. (Prot.Sched.=100)	Balance to be Produced as of Aug. 1, 1943 To Complete 3rd Protocol Prod. Program	Comments
NON-FERROUS METALS								
3	Aluminum (Ingot and Fabricated)	S.T.	35,760	6,720	19	238	29,040	Aluminum deliveries in July exceeded the Protocol commitment for the month by 3,740 s.t. Of this excess, 2,240 s.t. were authorized by an extra-Protocol allotment by the Requirements Committee, and 1,500 s.t. were shipped on behalf of Canada pending completion of Canadian arrangements to fulfill its Third Protocol aluminum schedule. The overshipment on behalf of Canada is considered an acceleration and will be made up in later months of the Third Protocol period.
4	Nickel							
A	Pig Nickel	S.T.	3,600	450	13	163	3,150	July pig nickel deliveries include 300 s.t. called for by the U.S.Third Protocol nickel schedule and 150 s.t. shipped on behalf of Canada pending completion of Canadian arrangements to fulfill its Third Protocol nickel commitment. The overshipment will be offset by a corresponding undershipment in August.
B	Nickel in Monel Scrap	S.T.	-	0	-	-	-	The U.S. has offered the U.S.S.R. 50 s.t. of nickel in pigged monel scrap per month. Soviet representatives have stated, however, that they do not desire to take advantage of this offer until experiments have demonstrated that pigged monel can be used by their steel industry.
C	Nickel in Steel and Other Non-Ferrous Products	S.T.	2,400	222	9	113	2,178	Contained nickel deliveries consist of 123 s.t. in alloy steel; 23 s.t. in nichrome wire and strip; 66 s.t. in cupro-nickel strip; and 10 s.t. in nichrome squares.
5	Molybdenum	S.T.	4,000	335	8	100	3,665	

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NON-FERROUS METALS (Continued)								
6	Copper, Electrolytic	S.T.	(121,400)	(5,045)	(4)	(50)	(116,355)	The production program has been adjusted through deducting from the total Third Protocol copper offering of 134,400 s.t. the amount (13,000 s.t.) expected to be required for manufactured products, other than military stores, which are scheduled to be produced on U.S.S.R. account during the Third Protocol period. The figure given is a maximum figure and is subject to reduction in case stocks of products containing copper become excessive.
7	Copper Base Alloys	S.T.	107,520	2,960	3	38	104,560	July deliveries were considerably under Protocol requirements for the month because (a) a lead factor of several weeks is required before shipments can begin to be made against new Third Protocol contracts, and (b) pressure on manufacturers was eased because of fear that stocks, already large, would become excessive.
8	Magnesium	S.T.	4,032	336	8	100	3,696	
9	Zinc	S.T.	13,440	1,120	8	100	12,320	
11	Copper Goods and Tubes	S.T.	15,000	378	3	38	14,622	July deliveries were considerably under Protocol schedule for the same reasons copper base alloy shipments were delayed.
29	Special Non-Ferrous Alloy Wires	S.T.	269	2	1	13	267	The production program figure shown is a maximum figure. Requisitions so far submitted under this category total only a fraction of 269 s.t. Deliveries against these were negligible in July because of lead factors. Included in this category are a number of items which are in extremely short supply (e.g. molybdenum wire, tungsten wire, etc.)
30	Nichrome Wire	S.T.	538	29	5	63	509	Substantial deliveries of nichrome cannot be expected for some time because of lead factors.

Protocol Item No.	Item	Unit	3rd Protocol Production Program	Made Available at Mill in U.S.A. July 1, 1943 - July 31, 1943	Percent of 3rd Prot. Program Completed as of Aug. 1, 1943	Ratio of Actual Deliveries to Prot.Sched. (Prot.Sched.=100)	Balance to be Produced as of Aug. 1, 1943 To Complete 3rd Protocol Prod. Program	Comments
NON-FERROUS METALS (Continued)								
94	Cobalt	S.T.	80.5	13	16	-	67.5	The production program shown is for the first half of the Protocol period only; cobalt for the second half of the Protocol period is included in the Canadian supply schedule.
	Total Non-Ferrous Metals (Excluding Item 6, Copper, Electrolytic)	S.T.	186,639.5	12,565	7	88	174,074.5	
FERRO-ALLOYS								
12	Ferrosilicon	S.T.	-	0	-	-	-	The U.S. and Canada jointly have agreed to meet full U.S.S.R. requirements for ferrosilicon and ferrochrome. For its part, the U.S. has offered to supply 784 s.t. of ferrosilicon and 448 s.t. of ferrochrome per month. But by agreement, this offer is to become effective only when stocks held on U.S.S.R. account are reduced to two months' requirements. At present, stocks total more than five months' requirements and no liftings are currently taking place. In consequence, no allocation was made in July and none is planned for the immediate future.
13	Ferrochrome	S.T.	-	0	-	-	-	
	Total Ferro-Alloys	S.T.	-	0	-	-	-	
ALLOY STEEL								
16	Polished Drill Rods							The alloy steel production program shown corresponds exactly to stated Soviet Third Protocol requirements. Fulfillment of the program has been made dependent, however, upon liftings of particular items included being sufficiently large to prevent the accumulation of excessive stocks. For the present, production schedules have been established at the rate called for by the program in the case of all items except hot rolled bars and billets (aircraft steel). Large stocks of hot rolled alloy bars and billets have made it seem wise to hold production to a low level. Moreover, as liftings in July, and prospective liftings in August and September have been, or are, under expectations, this production rate will probably not be appreciably increased in the immediate future.
B	High Speed	S.T.	96	9	9	113	87	
C	Other Alloy	S.T.	45	2	4	50	43	
17	High Speed Tool Steel	S.T.	4,480	483	11	138	3,997	
18	Tool Steel							
B	Alloy X12	S.T.	672	68	10	125	604	
C	Alloy X12M	S.T.	672	51	8	100	621	
D	Other Alloys	S.T.	3,382	637	19	238	2,745	
E	Die Blocks	S.T.	1,468	0	0	0	1,468	
19	Cold Finished Bars	S.T.	10,898	927	9	113	9,971	
20	H.R.Alloy Bars and Billets	S.T.	67,569	3,130	5	63	64,439	

Protocol Item No.	Item	Unit	3rd Protocol Production Program	Made Available at Mill in U.S.A. July 1, 1943 - July 31, 1943	Percent of 3rd Prot. Program Completed as of Aug. 1, 1943	Ratio of Actual Deliveries to Prot.Sched. (Prot.Sched.=100)	Balance to be Produced as of Aug. 1, 1943 To Complete 3rd Protocol Prod. Program	Comments
ALLOY STEEL (Continued)								
23	Stainless Steel							
A	Sheets	S.T.	2,671	0	0	0	2,671	
B	Strip	S.T.	336	176	52	650	160	
C	Bars	S.T.	756	0	0	0	756	
25	Steel Wire							
A	Ball Wire	S.T.	6,563	219	3	38	6,344	
B	Strip	S.T.	0	16	-	-	(16 Excess)	
C	Other Alloy	S.T.	0	115	-	-	(115 Excess)	
27	Steel Alloy Tubes							
A	18% Cr.-8% Ni.	S.T.	994	0	0	0	994	See preceding page for comments.
B	4-6% Chrome	S.T.	8,625	753	9	113	7,872	
C	Carbon .5% Moly., Pipe Sizes	S.T.	0	7	-	-	(7 Excess)	
F	H.R.Ball Bearing Tubes	S.T.	5,376	0	0	0	5,376	
28	Stainless Steel Wire	S.T.	0	195	-	-	(195 Excess)	
29	Special Alloy Wire	S.T.	0	59	-	-	(59 Excess)	
	Total Alloy Steel	S.T.	114,603	6,847	6	75	107,756	
CARBON STEEL								
101-5	Rails, Accessories and Other Railway Material	S.T.	420,270	13,212	3	38	407,058	The carbon steel production program shown is a maximum program. The over-all tonnage involved is considerably in excess of the amount which seems likely to be lifted during the Third Protocol period. Actual production is, therefore, at a rate far under that called for by this program. Only such items and quantities are currently being produced as seem most likely to be shipped.
10	Copper Clad Strip (Bimetal)	S.T.	11,120	0	0	0	11,120	
16A & 18A	Plain Carbon Tool Steel and Drill Rod	S.T.	6,807	567	8	100	6,240	
19D	Plain Carbon Bullet Core	S.T.	11,200	2,597	23	288	8,603	
24	Tinplate	S.T.	60,000	841	1	13	59,159	

Protocol Item No.	Item	Unit	3rd Protocol Production Program	Made Available at Mill in U.S.A. July 1, 1943 - July 31, 1943	Percent of 3rd Prot. Program Completed as of Aug. 1, 1943	Ratio of Actual Deliveries to Prot.Sched. (Prot.Sched.=100)	Balance to be Produced as of Aug. 1, 1943 To Complete 3rd Protocol Prod. Program	Comments
CARBON STEEL (Continued)								
	Other Carbon Steel	S.T.	36,000	6,447	18	225	29,553	See preceding page for comments.
	Total Carbon Steel	S.T.	545,397	23,664	4	50	521,733	
CHEMICALS								
36	Phenol	S.T.	12,000	0	0	0	12,000	The chemical production program is a maximum program and is to be fulfilled only to the extent that overseas shipments justify. At the beginning of July, large stocks of all items except ethyl alcohol were held in this country (4,118 s.t. phenol; 4,547 s.t. ethylene glycol; 3,410 s.t. methanol; 2,568 s.t. urotropine; 2,468 s.t. glycerine; 4,077 s.t. caustic soda; 1,400 s.t. acetone; and 18,058 s.t. "other chemicals"). It was decided, therefore, to make no July allocations of phenol, ethylene glycol, methanol, urotropine, glycerine, and acetone, and to make only small allocations of caustic soda and various minor "other chemicals". An appreciable allocation was made only for ethyl alcohol, in the case of which the U.S.S.R. made special arrangements for lifting the quantity made available.
38	Ethylene Glycol	S.T.	3,360	0	0	0	3,360	
45	Methanol	S.T.	6,720	0	0	0	6,720	
46	Urotropine	S.T.	6,720	0	0	0	6,720	
61A1	Glycerine	S.T.	6,720	0	0	0	6,720	
61A3	Caustic Soda	S.T.	40,320	761	2	25	39,559	
38A	Ethyl Alcohol	S.T.	107,520	13,742	13	163	93,778	
61A5	Acetone	S.T.	6,720	0	0	0	6,720	
61A	Other Chemicals	S.T.	12,096	307	3	38	11,789	
	Total Chemicals	S.T.	202,176	14,810	7	88	187,366	
MARINE AND SUBMARINE CABLE								
1	Marine Cable	KM.	1,200	90	8	100	1,110	Despite relatively large stocks, marine and submarine cable have been put under production at the rate called for by the Third Protocol program. Because of lead factors, deliveries against new contracts had not begun by the end of July. Such deliveries as are shown were against contracts placed during the Second Protocol period.
2	Submarine Cable	KM.	600	0	0	0	600	
	Total Marine and Submarine Cable	KM.	1,800	90	5	63	1,710	

Protocol Item No.	Item	Unit	3rd Protocol Production Program	Made Available at Mill in U.S.A. July 1, 1943 - July 31, 1943	Percent of 3rd Prot. Program Completed as of Aug. 1, 1943	Ratio of Actual Deliveries to Prot.Sched. (Prot.Sched.=100)	Balance to be Produced as of Aug. 1, 1943 To Complete 3rd Protocol Prod. Program	Comments
POWER AND OTHER CABLE								
74	Insulated Cable and Wire (Copper Content)	S.T.	21,516	2,547	12	150	18,969	Very large stocks, over 50,000 s.t. of insulated and bare copper cable and wire, were held in this country on U.S.S.R. account at the beginning of July. At recent rate of liftings, this quantity totals more than twelve months' shipping requirements. Production against new contracts is, therefore, being held far below the rate called for by the Third Protocol program. The large July deliveries of insulated cable were against uncompleted Second Protocol contracts. As there were few carry-over contracts for bare cable and wire, deliveries of this type material were very small.
74A	Copper Cable and Wire (Copper Content)	S.T.	20,000	6	-	-	19,994	
	Total Power and Other Cable	S.T.	41,516	2,553	6	75	38,963	
MISCELLANEOUS MATERIALS ITEMS								
80	Sheet Fiber	S.T.	1,000	180	18	225	820	
83	Parchment Paper	S.T.	1,680	0	0	0	1,680	No requisitions have been submitted for parchment paper, condenser paper and cigarette paper.
83A	Condenser Paper	S.T.	146	0	0	0	146	
83B	Cigarette Paper	S.T.	336	0	0	0	336	
35	Other Materials and Their Products	$	5,000,000	-	-	-	-	The production program shown is a maximum program. All orders counted against this program are new orders. So far only a few have been submitted; because of lead factors no deliveries have taken place against these.
INDUSTRIAL AND RELATED EQUIPMENT								
15A	Cemented Carbide Tips and Blanks	$	3,000,000	269,875	9	113	2,730,125	
15B	Small Cutting Tools	$	15,000,000	649,836	4	50	14,350,164	See following page for comments.
15C	Measuring Tools	$	3,000,000	180,151	6	75	2,819,849	

Protocol Item No.	Item	Unit	3rd Protocol Production Program	Made Available at Mill in U.S.A. July 1, 1943 - July 31, 1943	Percent of 3rd Prot. Program Completed as of Aug. 1, 1943	Ratio of Actual Deliveries to Prot.Sched. (Prot.Sched.=100)	Balance to be Produced as of Aug. 1, 1943 To Complete 3rd Protocol Prod. Program	Comments
INDUSTRIAL AND RELATED EQUIPMENT (Continued)								
67B	Abrasive Products	$	4,000,000	183,370	5	63	3,816,630	In the case of several items included in the industrial equipment category (e.g. machine tools, various industrial equipment, and power equipment) enough orders have been under schedule sufficiently long to insure relatively large deliveries in July. In the case of other items, notably small cutting tools, measuring tools, abrasive products, electric furnaces, wire drawing equipment, rolling mills and rolling mill equipment, etc., requisitions have been submitted so recently that July deliveries were necessarily small because of lead factors. In the case of some items, requisitions are being held by the OLLA because of the danger that stocks will become excessive. Of the various types of equipment included in the industrial equipment category, deliveries in July were below reasonable expectations only in the case of forging presses and hammers and bearings. Forging presses and hammers figures for July are preliminary; when full reports are received from fabricators, it probably will be found that the total made available was considerably greater than the $958,000 shown. Anti-friction bearing deliveries were under the programmed rate because many outstanding orders are for types of bearings which cannot be produced in the quantities specified, or have been placed with fabricators who do not have adequate facilities for their production. An effort is currently being made to bring about the substitution of other orders for these. If this effort proves successful, accelerated deliveries may be expected in future months.
62	Machine Tools	$	120,000,000	11,738,202	10	125	108,261,798	
63	Electric Furnaces	$	12,000,000	186,856	2	25	11,813,144	
64A	Rolling Mills and Equipment	$	16,000,000	35,416	-	-	15,964,584	
64B	Presses, Forges, Hammers and Related Equipment	$	30,000,000	958,702	3	38	29,041,298	
64C	Wire Drawing Equipment	$	2,000,000	0	0	0	2,000,000	
65	Various Industrial Equipment	$	120,000,000	11,091,751	9	113	108,908,249	
66	Control Inst. and Testing Machines	$	1,700,000	273,688	16	200	1,426,312	
69-70	Anti-Friction Bearings	$	15,000,000	857,176	6	75	14,142,824	
111	Block Signal System	$	14,591,500	12,640	-	-	14,578,860	
140	Power Equipment	$	75,000,000	7,500,974	10	125	67,499,026	
	Total Industrial and Related Equipment	$	431,291,500	33,938,637	8	100	397,352,863	

Protocol Item No.	Item	Unit	3rd Protocol Production Program	Made Available at Mill in U.S.A. July 1, 1943 - July 31, 1943	Percent of 3rd Prot. Program Completed as of Aug. 1, 1943	Ratio of Actual Deliveries to Prot.Sched. (Prot.Sched.=100)	Balance to be Produced as of Aug. 1, 1943 To Complete 3rd Protocol Prod. Program	Comments
MISCELLANEOUS EQUIPMENT ITEMS								
67A	Abrasive Grain	S.T.	4,000	797	20	250	3,203	
68A	Graphite Electrodes	S.T.	5,757	334	6	75	5,423	
68B	Other Graphite Goods	S.T.	1,691	49	3	38	1,642	
68C	Graphite Powder	S.T.	1,120	131	12	150	989	
78	Tires, Tubes, Other Rubber Products (Rubber Content)	S.T.	40,320	4,327	11	138	35,993	
82	Metallic Cloth and Screen	$	1,000,000	103,462	10	125	896,538	
84	Emergency Equipment	$	25,000,000	-	-	-	-	The U.S. has offered to supply up to $25,000,000 of emergency equipment provided the Soviet Government certifies the need for particular items totaling this amount, and provided specifications are acceptable to the War Production Board. So far only a few requisitions have been placed under this category. Because of lead factors, no deliveries took place against these in July.

War Production Board
Foreign Division
Review and Analysis Branch
August 14, 1943

(1622)

Thru PSF

THE WHITE HOUSE

WASHINGTON

G. F.
Lend Lease

August 16, 1943.

MEMORANDUM FOR

THE SECRETARY OF THE TREASURY: x21

FOR YOUR INFORMATION AND

PLEASE RETURN FOR MY FILES.

F.D.R.

x246

Letter from the Secretary of Commerce, 8/10/43, to the President, in re his talk with Mr. Van den Broek in re desire of the Dutch Govt. to arrange for a loan of $300,000,000 to be used in reconstruction of their country after the war.

x4193
x643
x229

THE SECRETARY OF COMMERCE
WASHINGTON

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August 10, 1943

Dear Mr. President:

You will recall that I mentioned to you some time ago that the Dutch Government wanted to arrange for a loan of $300,000,000, to be used in reconstruction of their country after the war.

When Mr. Van den Broek was in to see me I gave him a copy of our loan agreement under which we loaned the British Government $425,000,000. Mr. Van den Broek later submitted a list of collateral and would like to arrange for the loan on the same general terms under which we made the British loan, the security to be United States investments entirely acceptable to us. The RFC would make the loan at 3% interest, the money to be drawn after the war.

I am writing this letter because Mr. Van den Broek advised me he expected to discuss the matter with you tomorrow morning.

Sincerely yours,

Secretary of Commerce

x3

The President
The White House

FOR VICTORY BUY UNITED STATES WAR BONDS AND STAMPS

TREASURY DEPARTMENT

WASHINGTON

September 10, 1943

Dear Miss Tully:

In accordance with the President's request, I am returning to you herewith for your files the letter which Secretary Jones addressed to the President on August 10th.

Sincerely yours,

H. Morgenthau

Miss Grace Tully,
Secretary to the President,
The White House,
Washington, D.C.

PSF

G. F.
Lend Lease

THE SECRETARY OF THE NAVY
WASHINGTON

17 AUG 1943

(SC)L11-7/EF 61
Serial 0112812
[redacted]

file

Dear Mr. President:

In accordance with your memorandum of 2 October 1942, there is enclosed herewith a report as of 1 August 1943 showing the progress made by the Navy Department in supplying material to the Soviet Government under the Second Protocol covering the period 1 July 1942 to 30 June 1943.

There are also enclosed two additional reports on certain material requested by the Soviets and classified in the following categories:

(a) Items not included in the Second Protocol
(b) Items under the provisions of the proposed Third Protocol

Respectfully submitted,

Frank Knox

Frank Knox

x18

The President
The White House

x 220
x 4193

STATUS OF DELIVERY OF MATERIALS REQUISITIONED
BY THE SOVIET GOVERNMENT OF THE NAVY DEPARTMENT
UNDER THE PROVISIONS OF THE SECOND
PROTOCOL

ITEMS	AMOUNT REQUESTED	DELIVERED PRIOR TO JULY 1, '42	DELIVERED BETWEEN JULY 1942 JULY 1943	DELIVERY SCHEDULE FOR AUG '43	DELIVERY SCHEDULE FOR SEPT. 1943	DELIVERY SCHEDULE FOR OCT. 1943	BALANCE TO BE DELIVERED	SCHEDULE TIME OF DELIVERIES OF BALANCE
PETROLEUM PRODUCTS (SHORT TONS)	312,815	49,650	214,792	19,947	18,654	9,772	0	
50 CALIBER TWIN MOUNTS HAND OPERATED MK 17 COMPLETE WITH CRADLE AND SPARE PARTS	200	0	80	50	50	20	0	
50 CALIBER GUNS COMPLETE WITH SPARE PARTS	450	0	160	100	100	90	0	
MINESWEEPERS	10	0	3	3	3	1	0	
MOTOR TORPEDO BOAT WATER AND OIL COOLERS	810 EACH	0	692 EACH	118 EACH	0	0	0	
MARINE DIESEL ENGINES (1100-1600 H.P.)	136	0	134	0	0	2	0	
MARINE DIESEL ENGINES (170-1100 H.P)	248	0	47	43	70	32	56	NOV 1943 and DEC 1943
MARINE DIESEL ENGINES (75-170 H.P.)	122	0	53	50	19	0	0	
MARINE DIESEL GENERATORS	1,310	2	273	147	119	25	744	NOV1943 to JAN 1944
MARINE GASOLINE ENGINES	2,170	0	2,170	0	0	0	0	
TURBO-GENERATORS	14	0	14	0	0	0	0	
MECHANICAL AND ELECTRICAL EQUIPMENT FOR TUGS	3 SETS	0	PARTIAL	PARTIAL	PARTIAL (COMPLETE)	0	0	
STORAGE BATTERIES FOR SUBMARINES	15	0	15	0	0	0	0	
SHIP AND SHORE RADIO STATIONS	26	0	26	0	0	0	0	
RADIO DIRECTION FINDERS	4	0	4	0	0	0	0	
SOUND MEASURING AND TESTING EQUIPMENT	5	0	5	0	0	0	0	
ELECTRIC STEERING GEAR	4	0	4	0	0	0	0	
DEPTH SOUNDERS	3	0	3	0	0	0	0	
ELECTRICAL SPARE PARTS FOR DIESEL ENGINES	243 ITEMS	2%	96%	2%	0	0	0	
CHAIN HOISTS	309	1	308	0	0	0	0	

STATUS OF DELIVERY OF MATERIALS REQUISITIONED
BY THE SOVIET GOVERNMENT OF THE NAVY DEPARTMENT
UNDER THE PROVISIONS OF THE SECOND
PROTOCOL

ITEMS	AMOUNT REQUESTED	DELIVERED PRIOR TO JULY 1, '42	DELIVERED BETWEEN JULY 1942 JULY 1943	DELIVERY SCHEDULE FOR AUG. '43	DELIVERY SCHEDULE FOR SEPT. 1943	DELIVERY SCHEDULE FOR OCT. 1943	BALANCE TO BE DELIVERED	SCHEDULE TIME OF DELIVERIES OF BALANCE
TURBO-VENTILATORS	8	0	8	0	0	0	0	
PNEUMATIC HAMMERS	200	0	200	0	0	0	0	
STADIMETERS	150	0	150	0	0	0	0	
MICROMETERS , SEXTANTS BINOCULARS	40 EACH	0	40 EACH	0	0	0	0	
STATIONARY COMPRESSORS	2	0	2	0	0	0	0	
ELECTRIC MOTORS	1,220	0	265	0	0	0	955	JAN 1944

STATUS OF DELIVERY OF MATERIALS REQUISITIONED BY THE SOVIET GOVERNMENT OF THE NAVY DEPARTMENT UNDER THE PROVISIONS OF THE PROPOSED THIRD PROTOCOL

ITEM	AMOUNT REQUESTED	DELIVERED PRIOR TO JULY 1, 1942	DELIVERED BETWEEN JULY 1942 JULY 1943	DELIVERY SCHEDULE FOR AUG. 1943	DELIVERY SCHEDULE FOR SEPT. 1943	DELIVERY SCHEDULE FOR OCT. 1943	BALANCE TO BE DELIVERED	SCHEDULE TIME OF DELIVERIES OF BALANCE
ELECTRIC VENTILATING SETS	649	0	565	84	0	0	0	
SCRIPPS ENGINES	66	0	0	0	0	0	66	Dec 1943-Jan 1944
AIR TANKS	15	0	0	15	0	0	0	
WINDLASSES WITH MOTORS	5	0	4	0	0	0	1	UNSCHEDULED
AUXILLARY EQUIPMENT FOR SHIPS	10 SETS	0	0	0	0	0	10 SETS	Nov. 1943
VERTICAL STEAM BOILER	10	0	1	0	9	0	0	
WATERTIGHT JUNCTION BOXES	240	0	nO	0	0	240	0	
JETTING EQUIPMENT FOR SALVAGE OPERATIONS	20 SETS	0	0	0	20 SETS	0	0	
TOWING WINCHES - 220 V.	10	0	0	0	0	0	10	Jan. 1944
MARINE DIESEL ENGINES (170-1100 H.P.)	230	0	7	5	26	27	165	Nov. 1943 to Aug. 1944
MARINE DIESEL ENGINES (30-100 H.P.)	263	0	0	0	0	0	263	UNSCHEDULED
MARINE PUMPS	257	0	76	40	40	74	27	UNSCHEDULED
MARINE DIESEL GENERATORS	484	0	12	20	40	40	372	UNSCHEDULED

STATUS OF DELIVERY OF MATERIALS REQUISITIONED
BY THE SOVIET GOVERNMENT FROM THE NAVY DEPARTMENT
(NON PROTOCOL ITEMS)

ITEM	AMOUNT REQUESTED	DELIVERED PRIOR TO JULY 1, '42	DELIVERED BETWEEN JULY 1942 JULY 1943	DELIVERY SCHEDULE FOR AUG 1943	DELIVERY SCHEDULE FOR SEPT. 1943	DELIVERY SCHEDULE FOR OCT. 1943	BALANCE TO BE DELIVERED	SCHEDULE TIME OF DELIVERING OF BALANCE
MARINE DIESEL ENGINES (1100-1600 H.P.)	18	0	4	0	0	2	12	Nov 1943 to Feb. 1944
MARINE DIESEL ENGINES (75-170 H.P.)	802	0	38	6	6	6	746	UNSCHEDULED
MARINE GASOLINE ENGINES	2,732	0	0	260	240	77	2,155	UNSCHEDULED
MARINE DIESEL ENGINES (BELOW 75 H.P)	982	0	32	0	0	0	950	UNSCHEDULED
ELECTRIC STEERING GEAR	10	0	10	0	0	0	0	
FATHOMETER RECORDERS	4	0	4	0	0	0	0	
LINOLEUM	20,000 METERS	0	20,000 METERS	0	0	0	0	
TURBO-VENTILATORS	24	0	24	0	0	0	0	
EXHAUST MUFFLERS FOR 900 H.P. ENGINES	2 SETS	0	2 SETS	0	0	0	0	
WATERPROOF SIRENS	2	0	2	0	0	0	0	
RADIO AND TELEPHONE TRANSMITTERS	9	0	9	0	0	0	0	
VOLTMETERS AMMETERS CIRCUIT BREAKERS SWITCHES	16 20 8 1,320	0	100 %	0	0	0	0	
MARINE PUMPS	163	0	0	0	0	0	163	UNSCHEDULED
RADIO RECEIVERS	383	0	89	10	10	10	264	UNSCHEDULED
STORAGE BATTERIES FOR SUBMARINES	50	0	1	2	2	2	43	NOV 1943 TO JUNE 1944
WOODEN SUBMARINE CHASERS	92	0	26	27	7	4	28	NOV 1943 TO APRIL 1944
WOODEN MOTOR TORPEDO BOATS	80	0	12	0	0	6	62	NOV 1943 TO JULY 1944
LANDING BOATS LCM(3)	30	0	30	0	0	0	0	
BEARINGS FOR PACKARD ENGINES	138	0	100	0	0	0	38	FEB 1944
TELEGRAPH INDICATORS	4	0	0	4	0	0	0	

STATUS OF DELIVERY OF MATERIASL REQUISITIONED
BY THE SOVIET GOVERNMENT FROM THE NAVY DEPARTMENT
(NON PROTOCOL ITEMS)

ITEM	AMOUNT REQUESTED	DELIVERED PRIOR TO & JULY 1 '42	DELIVERED BETWEEN JULY 1942 JULY 1943	DELIVERY SCHEDULE FOR AUG 1943	DELIVERY SCHEDULE FOR SEPT 1943	DELIVERY SCHEDULE FOR OCT 1943	BALANCE TO BE DELIVERED	SCHEDULE TIME OF DELIVERIES OF BALANCE
AIR COMPRESSORS	3	0	3	0	0	0	0	
DESK CLOCKS	4	0	4	0	0	0	0	
CHRONOMETERS	12	0	12	0	0	0	0	
MARINE STEAM DYNAMO	1	0	1	0	0	0	0	
OUTBOARD MOTORS	500	0	100	0	0	0	400	MARCH 1944 - APRIL 1944
DIVING STATIONS	83	0	0	0	20	20	43	NOV 1943 - FEB 1944
FLEXIBLE PERISCOPE ROPE	50,000 ft	0	50,000 ft.	0	0	0	0	
LANTERNS AND FLASHERS	982	0	300	0	0	0	682	UNSCHEDULED
FORGINGS FOR PROPELLER SHAFTS AND COUPLINGS	3	0	0	0	0	0	3	MARCH 1944
GASOLINE - OIL FILTERS	2400-800	0	0	0	0	2400-800	0	
THERMOSTATS AND PRESSURE INDICATORS	800	0	200	300	300	0	0	
ELECTRICAL TACHOMETERS	201	0	0	201	0	0	0	
DIVING EQUIPMENT	100	0	0	20	60	20	0	
REFLECTORS FOR PROJECTORS	10	0	10	0	0	0	0	
ELECTRIC CRANE	4	0	0	0	0	0	4	UNSCHEDULED
AIR VALVES	194	0	0	0	0	0	194	UNSCHEDULED
PRESSURE INDICATORS	200	0	0	100	50	50	0	
CENTRIFUGAL FANS	47	0	0	0	0	0	47	UNSCHEDULED
LIGHTING FIXTURES	1 LOT	0	0	0	0	0	1 LOT	UNSCHEDULED
ELECTRICAL EQUIPMENT	6 LOTS	0	0	0	0	0	6 LOTS	UNSCHEDULED
RADIO TUBES	580	0	580	0	0	0	0	
BUOYS	100	0	0	0	0	0	100	UNSCHEDULED
ACETYLENE GAS ACCUMULATORS	700	0	0	0	0	0	700	UNSCHEDULED

STATUS OF DELIVERY OF MATERIALS REQUISITIONED
BY THE SOVIET GOVERNMENT FROM THE NAVY DEPARTMENT
(NON PROTOCOL ITEMS)

ITEM	AMOUNT REQUESTED	DELIVERED PRIOR TO JULY 1 '42	DELIVERED BETWEEN JULY 1942 JULY 1943	DELIVERY SCHEDULE FOR AUG 1943	DELIVERY SCHEDULE FOR SEPT. 1943	DELIVERY SCHEDULE FOR OCT. 1943	BALANCE TO BE DELIVERED	SCHEDULE TIME OF DELIVERIES OF BALANCE
WATER DISTILLING UNITS FOR SUBMARINES	5	0	0	0	0	0	5	UNSCHEDULED
SEARCHLIGHT PROJECTORS	20	0	10	10	0	0	0	
STEERING GEAR	35	0	0	0	0	0	35	UNSCHEDULED
BINOCULARS	55	0	55	0	0	0	0	
DIVING COMPRESSORS	3	0	0	0	0	0	3	UNSCHEDULED
SHAFTLINES	100	0	0	0	0	0	100	UNSCHEDULED
PROPELLERS	200	0	0	0	0	0	200	UNSCHEDULED
TRANSMITTING TUBES	1 LOT	0	0	0	0	0	1 LOT	UNSCHEDULED
MOTOR TORPEDO BOAT WATER AND OIL COOLERS	950 EACH	0	0	0	0	0	950 EACH	UNSCHEDULED
SHORE DIRECTION FINDERS	18	0	3	6	0	0	9	UNSCHEDULED
SEARCHLIGHTS	3	0	0	0	0	0	3	UNSCHEDULED
AIR TANKS	15	0	0	15	0	0	0	
ROTARY AND CHANGEOVER SWITCHES	4,365	0	4,365	0	0	0	0	
VERTICAL STEAM BOILER	1	0	0	0	1	0	0	
POTASSIUM TETRAOXIDE	1,120,000 pounds	0	638,749	57,252	25,000	25,000	373,999	UNSCHEDULED
SUBMARINE RESCUE CHAMBER	1	0	1	0	0	0	0	
20 MM AA Guns, COMPLETE	1,500	0	988	100	50	50	312	50 PER MONTH
ROUNDS 20 MM AA AMMUNITION	8,000,000	0	3,967,140	100,000	100,000	100,000	3,732,860	100,000 ROUNDS PER MONTH
5"/38 D.P. EQUIPMENTS, GUNS MK 30, HANDWHEEL BRACKETS- NO POWER DRIVES	150	0	28	50	50	22	0	
5"/38 CAL. SINGLE LOADING MACHINE MK 14 MOD.4 AND SPARE PARTS	64	0	8	25	25	6	0	
5"/38 AA AMMUNITION	66,000	0	7,880	47,310	10,810	0	0	
5"/38 COMMON AMMUNITION	1,5000	0	1,500	3,500	0	0	10,000	UNSCHEDULED

STATUS OF DELIVERY OF MATERIALS REQUISITIONED
BY THE SOVIET GOVERNMENT FROM THE NAVY DEPARTMENT
(NON PROTOCOL ITEMS)

ITEM	AMOUNT REQUESTED	DELIVERED PRIOR TO JULY 1 '42 &	DELIVERED BETWEEN JULY 1942 JULY 1943	DELIVERY SCHEDULE FOR AUG. 1943	DELIVERY SCHEDULE FOR SEPT. 1943	DELIVERY SCHEDULE FOR OCT. 1943	BALANCE TO BE DELIVERED	SCHEDULE TIME OF DELIVERIES OF BALANCE
5"/38 ILLUMINATING AMMUNITION	3,000	0	300	2,200	500	0	0	
3"/50 D.P. EQUIPMENT	300	0	86	100	114	0	0	
3"/50 CAL. LOADING MACHINES MK 7 MOD. 1	100	0	3	80	17	0	0	
3"/50 AA AMMUNITION	283,500	0	74,481	161,769	47,250	0	0	
3"/50 ILLUMINATING AMMUNITION	1,5000	0	5,100	5,000	4,900	0	0	
FS MIXTURE FOR SMOKE SCREEN GENERATORS	19,200 GAL.	0	7,700	0	0	0	11,500	UNSCHEDULED
SETS OF EQUIPMENT FOR FILLING SMOKE SCREEN GENERATORS	5	0	2	0	0	0	3	UNSCHEDULED
TORPEDO TUBE TESTING SETS MK 1 MOD 3	10	0	0	0	0	0	10	UNSCHEDULED

PSF

C. F.
Lend Lease

THE SECRETARY OF THE TREASURY
WASHINGTON

AUG 12 1943

Secret
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file

My dear Mr. President:

There is attached a report of Lend-Lease purchases made by the Treasury Procurement Division for the Soviet government indicating the availability of cargo for August.

The inventory of materials in storage as of August 1st was 543,985 tons or 25,085 tons less than the July 1st inventory. Production scheduled for August shows an increase of 9,334 tons as compared with July.

Yours sincerely,

H. Morgenthau Jr.

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The President
The White House

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TREASURY DEPARTMENT - U. S. S. R.

MATERIALS AVAILABLE FROM STORAGE AND PRODUCTION DURING AUGUST, 1943

COMMODITY	STORAGE AUGUST 1, 1943	PRODUCTION DURING AUGUST	TOTAL AVAILABLE	PRIORITY CARGOES TO PORT AREAS SPECIFIED TO DATE FOR AUGUST
AGRICULTURAL MACHINERY AND IMPLEMENTS		17	17	
ALUMINUM	357	7,143	7,500	7,500
AUTOMOTIVE EQUIPMENT AND PARTS		129	129	
BEARINGS	334	747	1,081	150
BRASS AND BRONZE	17,585	1,059	18,644	
CHEMICALS	5,175	381	5,556	5,000
CLOTHING AND TEXTILES		4	4	
CONSTRUCTION MACHINERY		4,140	4,140	
COPPER IN VARIOUS FORMS	61,197	9,550	70,747	3,520
FERRO-ALLOYS	5,735		5,735	
GRAPHITE PRODUCTS	1,520	264	1,784	
HAND AND CUTTING TOOLS		2,403	2,403	100
INDUSTRIAL MACHINERY AND EQUIPMENT	134,194	23,673	157,867	33,688*
LEAD AND LEAD ALLOYS	35		35	
LEATHER AND LEATHER PRODUCTS		11	11	
MEDICAL SUPPLIES		21	21	
NICKEL AND NICKEL PRODUCTS	424	7	431	150

COMMODITY	STORAGE AUGUST 1, 1943	PRODUCTION DURING AUGUST	TOTAL AVAILABLE	PRIORITY CARGOES TO PORT AREAS SPECIFIED TO DATE FOR AUGUST
NON-FERROUS METALS, OTHER	154	617	771	687
PAPER AND PAPER PRODUCTS	2,856		2,856	
PLASTICS	7,120		7,120	
RUBBER AND RUBBER PRODUCTS	10,221	8,274	18,495	6,670
STEEL, ALLOY AND SPECIAL	68,471	11,167	79,638	1,890
STEEL, CARBON	129,780	14,030	143,810	4,834
STEEL, PIPES AND TUBES	90,915	4,354	95,269	1,000
STEEL, RAILS	5,939	10,000	15,939	15,939
TIN PLATE	1,973	987	2,960	500
ZINC		1,000	1,000	1,000
TOTAL	543,985	99,978	643,963	82,628

* In addition, all available tonnage applicable to the Oil Refinery Program is classed as priority cargo for prompt shipment to ports.

OFFICE OF LEND-LEASE ADMINISTRATION
FIVE-FIFTEEN 22d STREET NW.
WASHINGTON, D. C.

E. R. STETTINIUS, JR.
ADMINISTRATOR

file Confidential

August 24, 1943

PSF

7 8-30-43

G.F. Lend Lease

MEMORANDUM

To: The President

From: E. R. Stettinius, Jr.

Subject: Report to the President

I am transmitting herewith the usual high spot report of Lend-Lease operations to the end of July, 1943.

As you will note from the summary on the second page, aid rendered in July amounted to $1,050,000,000, the highest point reached to date.

E. Stettinius Jr.

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CONFIDENTIAL

REPORT TO THE PRESIDENT ON LEND-LEASE PROGRESS

AS OF JULY 31, 1943

Office of Lend-Lease Administration

SUMMARY OF LEND-LEASE PROGRESS

1. July was the second consecutive month in which lend-lease aid exceeded a billion dollars and the first month in which transfers of goods alone exceeded that amount.

2. Total lend-lease aid from the beginning of the program to the end of July amounted to $13,973,000,000.

3. Expenditures of lend-lease funds for production facilities in the United States to the end of July amounted to $602,000,000. Additional funds amounting to $270,000,000 have been allotted for this purpose.

4. Cargo shipped to the U.S.S.R. in July exceeded the average for the first six months of this year by 11 per cent and exceeded July 1942 by 84 per cent.

5. In the first six months of this year we shipped under lend-lease 4,049 tanks to the United Kingdom. This was 60 per cent of all tanks exported in that period.

August 24, 1943

Month of July 1943

MONTHLY *FLASH* SUMMARY
LEND-LEASE AID
MILLIONS OF DOLLARS

	Monthly			Cumulative to July 31, 1943
	July 1943	June 1943	July 1942	
Goods Transferred				
Munitions	728	570	256	6,925
Industrial Items	158	237	146	2,978
Foodstuffs, Etc.	132	147	102	1,999
Total Transfers	1,018	954	504	11,902
Services Rendered	32	76	91	2,071
Total Aid	1,050	1,030	595	13,973

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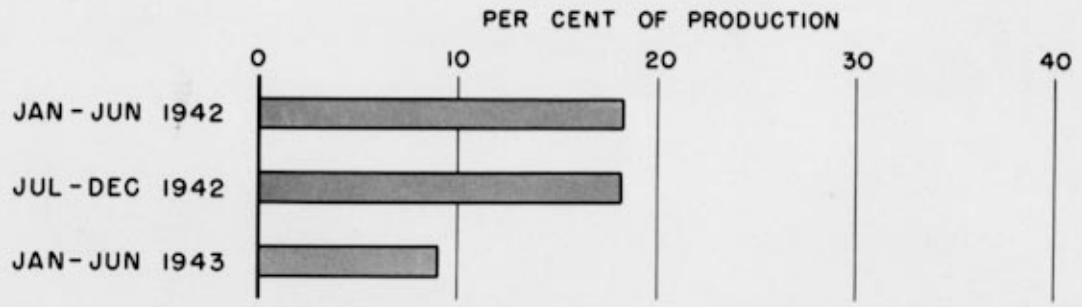
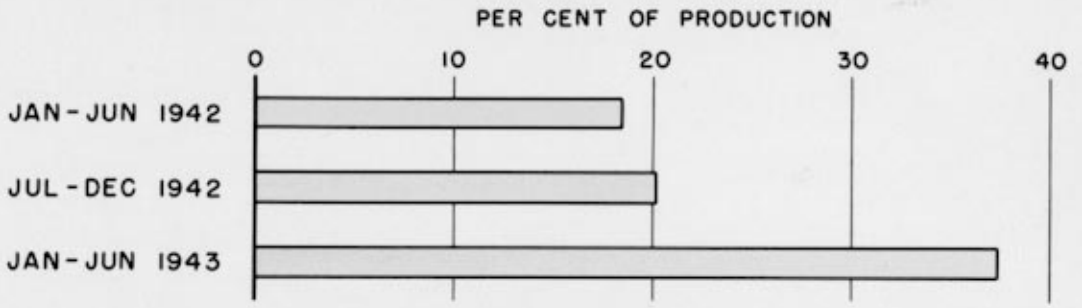
LEND-LEASE TRANSFERS OF MUNITIONS IN PER CENT OF PRODUCTION

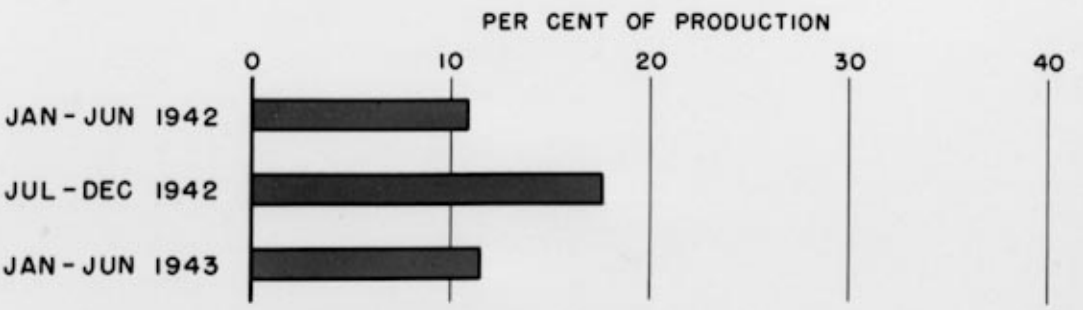
AIRCRAFT AND PARTS



TANKS AND PARTS



ORDNANCE AND AMMUNITION



Office of Lend-Lease Administration

PSF

WAR FOOD ADMINISTRATION

WASHINGTON

OFFICE OF THE ADMINISTRATOR

8-30-43.

C. F.

Lend Lease

~~SECRET AND CONFIDENTIAL~~

August 26, 1943

The President
The White House

Dear Mr. President:

As a result of a drastic reduction in cargo space allotted for food shipments on the regular Russian program, clearances of agricultural commodities returned to levels of last fall; 57,700 long tons were cleared despite the fact that FDA had 161,667 tons available at port. Shipments to the Arctic were completed in July but full information on clearances for that program is not yet available.

Notice must be taken of the fact that, despite the drop in total shipments, there were increases in commodities like cheese, animal fats and fat cuts, dehydrated and concentrated soups, vegetables, and cereals. A new item for Russia was Army Ration K, of which 210 long tons were sent in July. This commodity is used for tank crews and for dropping behind enemy lines in guerilla warfare. This is another indication of the greater diversity of products now shipped to the USSR. This diversity is also apparent in shipments of more concentrated cereals, dry soup concentrates, dehydrated tomato and potato soup.

August requests total 174,824 long tons with chief increases in requests for sugar, vegetable oil, animal fats, dried eggs and canned meats. Arrangements have been made to send bean sacks along with shipments of dried beans to the USSR. As the sacks in use become damaged from handling enroute, beans will be transferred to new sacks to assure arrival at destination in good condition. Eggs may now be shipped in large quantities since they are to be sent in boxes instead of barrels in order to reduce loss in transport and to use less cubic shipping space.

Respectfully,

Marvin Jones

Administrator

x1-7-74

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Enclosures

~~SECRET AND CONFIDENTIAL~~

b. 7. Lend Lease ↑ file 8-30-43 //

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Transportation & Warehousing Branch
Commodity Accountability Section
Food Distribution Administration
August 10, 1943

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Table 1

SHIPMENT OF AGRICULTURAL COMMODITIES
TO THE USSR
July 1, 1943 to July 31, 19 43

COMMODITY	Offered Against Monthly Requirement Under 3rd Protocol	SUPPLIED AGAINST PROTOCOL						Total July, 1942 To 7/31/43	Requested For Aug. Delivery
		July 1942 To 12/31/42	Jan. 1, 1943 To Mar. 31, 1943	April 1943	May 1943	June 1943	July /c 1943		
I. PROTOCOL									
Wheat and Flour	63,893	60,864	32,528	32,882	34,172	10,446	9,091	179,983	14,896
Cereals, Rice and Legumes	34,439	-	-	-	-	-	6,110	6,110	15,449
Sugar	36,400	31,735	44,715	12,118	3,700	12,092	3,195	107,555	26,050
Canned Meat	18,666	60,016	66,624	21,110	14,892	11,919 /b	11,832	186,393	30,500
Cured and Smoked Meat /a	7,000	39,545.5	14,140.5	4,208.5	15,606.25	7,295	2,606.5	83,402.25	6,055
Butter	3,266	-	-	-	-	-	1,808	1,808	2,635
Animal Fats and Fat Cuts	18,667	14,148	18,918	1,577	5,345	3,936	7,716	51,640	16,150
Vegetable Oil	14,000	30,739	33,184	8,496	20,278	11,708	10,238	114,643	31,950
Powder Milk	2,240	-	-	-	-	-	1,096	1,096	7,565
Dried Eggs	3,266	-	-	-	-	-	1,064	1,064	5,980
Canned Milk	1,120	-	-	-	-	-	387	387	1,925
Dehy. & Conc. Soups, Veg. Cereals	4,573	-	-	-	-	-	470	470	2,564
Conc. Soya Products	7,466	-	-	-	-	-	395	395	400
Cheese	14,000	-	-	-	-	-	200	200	950
Tomato Paste	460	-	-	-	-	-	-	-	100
Concentrated Juices	460	-	-	-	-	-	-	-	1,620
Soap	933	2,326	795	447	362	533	-	4,463	290
II Other Foods	-	82,183.8	79,477.6	28,491.7	28,846.3	17,698.59	1,492	238,190	9,745
TOTAL	230,849	321,557.3	290,382.1	109,330.2	123,201.55	75,627.59	57,700.5	977,799.25	174,824

/a Includes 678.5 long tons dressed weight equivalent of Dehydrated Pork and Beef converted at 4.5 times dehydrated weight.

/b This figure received from War Shipping Administration. This was a purchase made and loaded in Buenos Aires and is to be charged against Lend- Lease commitment.

/c Based on Transportation and Warehousing Branch Shipping Report dated August 2, 1943.

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Table 2

STATUS OF USSR PROGRAM
As of July 30, 1943
(Net Long Tons)

Commodity Accountability Section
Transportation & Warehousing Branch
Food Distribution Administration
August 10, 1943

COMMODITY	Cumulative Action Requisitions	CLEARANCES: Cumulative To 12/31/42	Jan. 1943 3/31/43	April 1943	May 1943	U.S.S.R. June 1943	Arctic June 1943	July *	Cumulative To 7/31/43	Requested For Aug. Delivery
Butter, Salted	34,494.1	8,206	1,290	342	895	847	295	1,808	13,683	2,635
Whole Milk, Dry	5,417.2	323	-	27	134	95	12	670	1,261	2,855
Skim Milk, Dry	28,000	2,754	6,722	1,856	1,380	1,168	-	426	14,306	4,710
Sweetened Condensed Milk	8,091.2	782	516	315	1,231	2,319	16	387	5,566	1,925
Cheese	9,203	3,424	-	59	45	-	-	178	3,706	600
Processed Cheese	2,741	-	-	-	486	-	-	22	508	350
Whole Eggs, Dried	55,160.6	15,008	7,614	1,565	2,028	2,103	13	1,064	29,395	5,980
Oleomargarine, Tropical	10,000	-	793	2,111	1,093	254	-	1,749	6,000	6,350
Meat and Ration, Canned	292,601.3	98,572	62,291	20,017	14,282	10,989 /c	169	11,832	218,152	30,500
Soya Links, Canned	15,000	397	4,333	1,093	610	761	-	-	7,194	-
Cured Pork /a	82,858.5	47,396	13,407	3,871	14,182	6,936	79	2,404	88,275	5,830
Lard & Rendered Fats /b	208,195	43,068	18,918	1,577	5,345	3,787	149	3,890	76,734	8,135
Fat Cuts	15,000	-	-	-	-	-	-	3,826	3,826	8,015
Pork, Dehydrated	1,250	21	163	75	316)	58	-	45)	678)	50)
Beef, Dehydrated	18	-	-	-	.5)	-	-	)	.5)	)
Beef Extract	240	-	-	-	-	-	-	-	-	-
Beef Sets, Dry	105	-	-	-	-	-	-	-	-	-
Concentrated Meats	.5	-	-	-	-	-	-	-	-	-
Concentrated Foods	59	59	-	-	-	-	-	-	59	-
Soya Flour & Grits	47,005.7	-	-	71	1,475	991	-	1,206	3,743	7,939
Hard Smoked Salami	73	-	-	-	-	-	14	-	14	-
Army Ration - C	50	-	-	-	-	-	-	-	-	-
Fish: Salmon	20.3	-	-	-	-	-	-	-	-	-
Pilchards	20	-	-	-	-	-	-	-	-	-
Vegetable Oil	161,771.1	46,299	27,041	3,756	17,954	10,224	78	6,851	112,203	22,000
Shortening	23,026.1	1,025	5,350	2,629	1,231	1,152	-	1,638	13,025	3,600

COMMODITY	Cumulative Action Requisitions	Cumulative To 12/31/42	CLEARANCES Jan. 1943 3/31/43	April 1943	May 1943	U.S.S.R. June 1943	Arctic June 1943	July *	Cumulative To 7/31/43	Requested For Aug. Delivery
Linseed Oil, Drying	561	24	-	-	-	-	3	36	63	195
Soap Stock	10,000	-	-	-	-	-	-	-	-	-
Laundry Soap	16,220	1,952	538	447	362	330	166	-	3,795	290
Toilet Soap	338	289	-	-	-	-	37	-	326	-
Soap, Unspecified	-	85	257	-	-	-	-	-	342	-
Stearin Candles	215	71	-	-	-	-	17	-	88	-
Beans, Dried	126,007	33,558	33,275	15,618	9,244	1,989	137	3,888	97,709	10,970
Peas, Dried	10,822	610.09	6,478	-	-	36	48	-	7,172.09	-
Rice	47,710.8	11,866	4,169	1,800	1,327	921	155	-	20,238	2,200
Oil Bearing Plant Seeds	600	-	-	-	-	-	-	-	-	-
Tobacco Seed	.7	-	-	-	-	-	-	-	-	-
Vegetable Seed	6,145.5	109	1,700	178	.3	-	-	-	1,987.3	-
Field Seed	10,507	-	5,104	1,083	23	-	-	-	6,210	-
Cryptostegia	15#	-	15#	-	-	-	-	-	15#	-
Baked Beans, Canned	130	18	100	-	-	-	12	-	130	-
Wheat	110,000	26,159	-	-	-	-	-	-	26,159	-
Wheat Flour	325,095.6	114,706	32,528	32,882	34,172	7,379	3,067	9,091	233,825	14,896
Rye Flour	16,383	8,410	-	-	600	-	1,400	-	10,410	-
Semolina	28,209	4,243	2,028	1,961	3,943	1,699	205	326	14,405	-
Cracked Wheat	9,896	3,254	4,874	358	952	389	-	81	9,908	-
Barley, Pearl	1,193.4	669	-	-	1,204	384	91	420	2,768	-
Barley Cereal, Roasted	384	170	-	-	-	-	-	-	170	-
Oat Cereal	28,827	5,959	3,198	2,230	2,791	990	193	1,315	16,676	-
Cereals, Various	15,500	782	31	-	-	-	-	-	813	2,279
Concentrate Cereal Food	3,500	-	-	-	714	321	-	250	1,285	920
Oil Cake	192	192	-	-	-	-	-	-	192	-
Barley, Fodder	6,783	3,235	-	-	-	-	40	-	3,275	-
Oat, Fodder	1,738	1,681	-	31	-	-	43	-	1,755	-
Buckwheat Cereal	456	120	-	-	-	-	-	80	200	-
Mill Run	305	424	-	-	-	-	-	-	424	-
Tomato Powder	300	-	-	18	-	-	-	-	18	-
Onion Powder	376	-	-	-	42	-	7	-	49	-
Hops	17	17	-	-	-	-	-	-	17	-

COMMODITY	Cumulative Action Requisitions	CLEARANCES: Cumulative To 12/31/42	Jan. 1943 3/31/43	April 1943	May 1943	U.S.S.R. June 1943	Arctic June 1943	July *	Cumulative To 7/31/43	Requested For Aug. Delivery
Fruit, Canned	15	-	-	-	-	-	4	-	4	-
Mixed Fruit, Dried	904	383	-	36	-	-	83	-	502	-
Fresh Lemons & Oranges	120.3	5 /c	-	-	-	-	2	-	7	-
Concentrated Lemon Juice	2,295.5	-	-	114	-	-	2	-	116	510
Concentrated Orange Juice	600	-	-	283	-	218	.7	-	501.7	1,050
Concentrated Grapefruit Juice	100	-	-	-	-	-	-	-	-	60
Shelled Walnuts	3	3	-	-	-	-	-	-	3	-
Kola Nuts	51	51	-	-	-	-	-	-	51	-
Shelled Hazel Nuts	3,248	-	-	-	-	-	-	-	-	-
Dried Soup Powder	3,701	277	-	22	-	-	-	-	299	-
Dry Soup, Concentrate	751	-	-	-	-	-	-	395	395	400
Dehydrated Soup	1,500	-	-	-	-	-	-	220	220	250
Dehydrated Vegetable Soup	750	-	-	-	-	-	-	-	-	850
Onions, Dehydrated	169.57	-	-	12	-	-	-	-	12	24
Garlic, Dehydrated	165.04	-	8	8	-	-	1.2	-	17.2	200
Beets, Dehydrated	148.04	-	-	-	-	-	-	-	-	-
Irish Potatoes	1,844.2	-	-	42	-	-	45	-	87	300
Carrots, Dehydrated	416.18	-	-	31	-	-	5	-	36	20
Cabbage, Dehydrated	63.57	-	-	-	-	-	-	-	-	-
Other Vegetables, Dehydrated	1	-	-	-	-	-	-	-	-	-
Vegetable & Soups, Canned	1,491	778	13	-	-	-	71	-	862	50
Potatoes, Fresh	1,215	-	-	-	-	-	-	-	-	-
Onions, Fresh	139.3	-	-	-	-	-	-	-	-	-
Garlic, Fresh	12.5	-	-	2	-	-	-	-	2	-
Tomato Paste	2,363.3	-	-	155	19	-	-	-	174	100
Sugar	369,398	107,199	44,715	12,118	3,586	11,899	37	3,195	182,749	26,050
Tablet Sugar	38,643.3	542	-	-	114	-	156	-	812	-
Tea	917	199.2	159	68	26	89	49	-	590.2	131
Coffee	2,326.7	446	1,988	-	-	-	1.4	-	2,435.4	-
Green Coffee Beans	1,500	-	-	-	-	-	-	-	-	-
Cocoa	2.392	-	-	-	-	-	-	-	-	-
Ascorbic Acid (Vit. C)	24	.6	5.89	10.7	-	-	-	-	17.19	2

COMMODITY	Cumulative Action Requisitions	CLEARANCES: Cumulative To 12/31/42	Jan. 1943 3/31/43	April 1943	May 1943	U.S.S.R. June 1943	Arctic June 1943	July *	Cumulative To 7/31/43	Requested For Aug. Delivery
Ascorbic Acid Tablets	2,126,200 T.	500,000 T.	-	-	-	-	-	-	500,000 T.	-
Carotene	450 BIU	-	150 BIU	193 BIU	-	-	-	-	343 BIU	107 B/u
Citric Acid	765.6	95	81	167	96	21	.2	34	494.2	144
Acetic Acid	61	129	-	-	-	-	-	-	129	-
Vitamin A	26 M/m	-	7.45M/m	5.17 M/m	-	-	-	-	12.62 M/m	1 M/m
Aneurin	10	-	6.5	2	5	-	-	-	13.5	1
Riboflavin	56#	-	10.2#	11#	11#	-	-	-	32.2#	-
Vitamin D	1,000 Bu	-	-	-	-	-	-	-	-	-
Essential Oils	24	4	17.23	-	-	-	-	-	21.23	700#
Banana Powder	50	-	-	-	-	-	-	-	-	-
Fruit Extract	5.7	-	-	-	-	-	1.4	-	1.4	-
Citric Extract	26	25	-	-	-	-	-	-	25	-
Cornstarch	350	320	-	-	-	-	7	-	327	-
Yeast, Dry	5	5.6	-	-	178	3	-	-	186.6	-
Baking Yeast	304.5	-	100	-	-	- M/T.	.4	-	100.4	125
Vitamized Yeast	18	-	-	2.9M/T.	-	4.29	-	4 M/T.	11.19 M/T.	-
Baking Soda	20	12	-	-	-	-	.6	-	12.6	5
Gelatin	1.96	.4	-	-	-	-	.19	-	.23	-
Vanilla	.2	-	-	-	-	-	2#	-	2#	-
Vanillin	20.4	.3	-	-	-	-	2#	6.6	2# 6.9	-
Salt	1,589	1,245	-	-	-	-	100	-	1,345	-
Pepper	323	3.8	-	-	-	-	2	-	5.8	250
Other Spices /d	98	24.5	-	27	-	2.2	4.2	-	57.9	35
Soya Sauce	4	3.7	-	-	-	-	-	-	3.7	-
Fruit Syrup	1	.7	-	-	-	-	-	-	.7	-
Vinegar	192	-	-	-	8	-	8	-	16	111
Macaroni	72.1	-	-	-	-	35	-	-	35	22
Chocolate - Ration D	65.2	-	-	-	-	-	3	-	3	-
Army Ration K	1,700	-	-	-	-	-	-	210	210	700
Chicory	2.9	-	-	-	-	-	.2	-	.2	-
Coffee Substitutes	20	-	-	-	-	-	-	-	-	23
Tobacco	.5	-	-	-	-	-	-	-	-	-
Alcohol	.816	-	-	-	-	-	-	-	-	-
Almonds	432#	-	-	-	-	-	-	-	-	-

COMMODITY	Cumulative Action Requisitions	CLEARANCES Cumulative To 12/31/42	Jan. 1943 3/31/43	April 1943	May 1943	U.S.S.R. June 1943	Arctic June 1943	July *	Cumulative To 7/31/43	Requested For Aug. Delivery
Bean Sacks	1.1	-	-	-	-	-	-	-	-	-
Pine Oil	12	-	-	-	-	-	-	-	-	12
	2,219,435.468	597,689.89	289,811.62	109,067.7	122,093.70	68,389.2	7,030.49	57,543.6	1,251,625.94	174,649
			7.45M/m	5.17M/m					12.62M/m	1 M/m
			150 BIU	193 BIU					343 BIU	107 B/u
			25.2#	11#	11#		4#		51.2#	700#
				2.9 M/T.		4.29 M/T.		4 M/T.	11.19 M/T.	
		500,000 T.							500,000 T.	

* Based on Transportation and Warehousing Branch Shipping Report dated August 2, 1943.

/a Includes salted Fatbacks.

/b Lard, Tallow, Oleo Oil and Rendered Pork Fat.

/c Includes 5 tons of Fruit Juice.

/d Other spices includes Cinnamon, Mustard, Allspice, Coriander, Ginger, Laurel Leaves, Mustard Seed and Poppy Seed, Anise, Bay Leaves, and Cloves.

/e This figure received from War Shipping Administration. This was a purchase made and loaded in Buenos Aires and is to be charged against Lend-Lease commitment.

OFFICE OF LEND-LEASE ADMINISTRATION
FIVE-FIFTEEN 22d STREET NW.
WASHINGTON, D. C.

E. R. STETTINIUS, JR.
ADMINISTRATOR

PSF

August 30, 1943

Confidential

MEMORANDUM

To: The President

From: E. R. Stettinius, Jr.

Subject: Status of the Soviet Aid Program

I am transmitting herewith the secret report on the status of the Soviet Aid Program, as of July 31, 1943.

This report summarizes the aid furnished to the Soviet Union in the period covered by the First and Second Protocols and the first month under the Third Protocol, which is still under negotiation.

E. R. Stettinius, Jr.

x4559

Attachment

x220
x4193

Copy No. 1

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STATUS OF THE SOVIET AID PROGRAM

AS OF JULY 31, 1943

Office of Lend-Lease Administration
Washington, D. C.

SECRET

PERFORMANCE DURING JULY 1943

Although negotiation of the Third Protocol has not yet been concluded, aid to the Soviet Union continued during July within the framework of Third Protocol proposals.

Present Third Protocol plans call for the shipment of 379,500 gross long tons monthly. July shipments totaled 335,600 gross long tons or 88% of plan. Shipments were distributed as follows:

	GROSS LONG TONS	%
Trucks and Other Vehicles	34,100	10%
Ferrous and Non-ferrous Metals	53,800	16
Chemicals and Explosives	21,500	7
Petroleum Products	68,000	20
Industrial Equipment	33,600	10
Food	97,400	29
Other	27,200	8
TOTAL	335,600	100

A total of 583 U.S. manufactured aircraft were delivered to the U.S.S.R. during the month: 263 by water via the Persian Gulf, 21 by air via the South Atlantic and 299 by air via Alaska. Of total deliveries, 353 were for United States account and 230 were for the account of the United Kingdom.

In the absence of Soviet selections from United States offerings under the proposed Third Protocol, the extent of performance under the Soviet Aid Program can be measured only by the supply of items to meet current Soviet shipping desires.

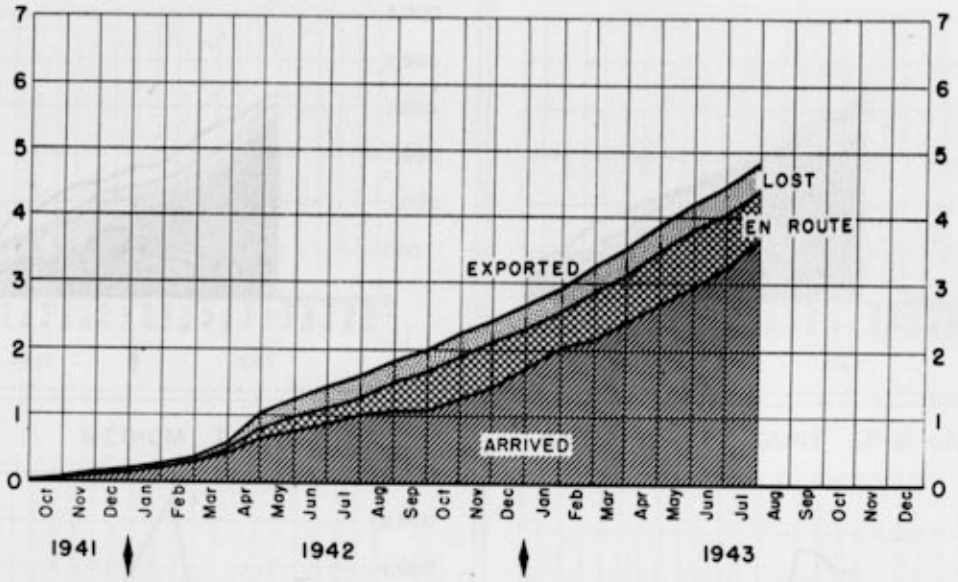
Office of Lend-Lease Administration

August 24, 1943

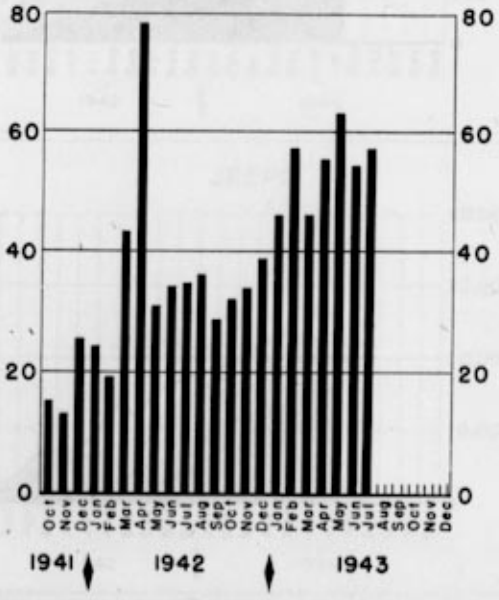
SHIPMENTS TO U.S.S.R.

SHIPMENTS, ARRIVALS AND LOSSES

CUMULATIVE IN MILLIONS OF GROSS LONG TONS

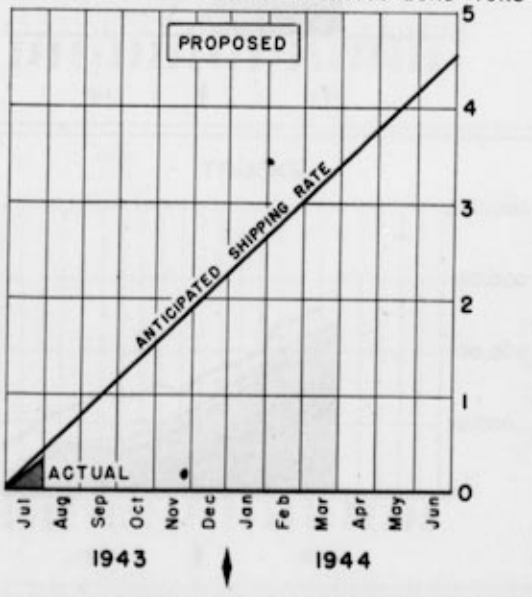


NUMBER OF SHIPS SAILING EACH MONTH



THIRD PROTOCOL CLEARANCES FROM U.S. PORTS

CUMULATIVE IN MILLIONS OF GROSS LONG TONS



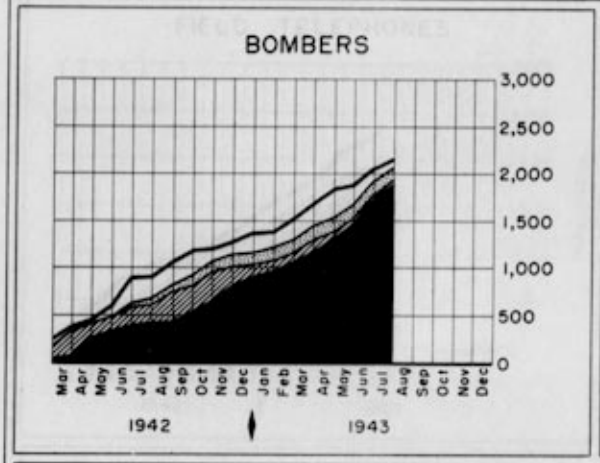
Office of Lend-Lease Administration

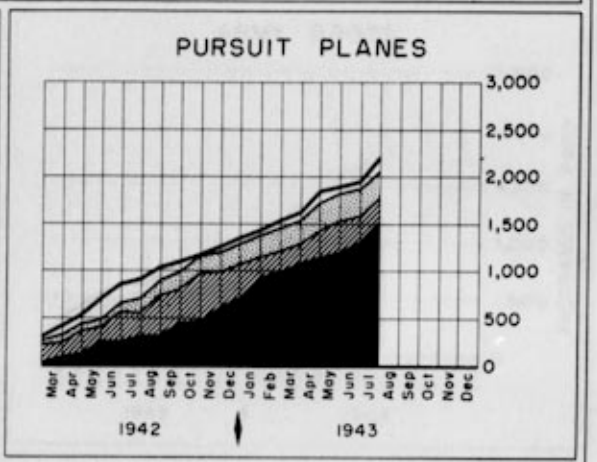
9-0371

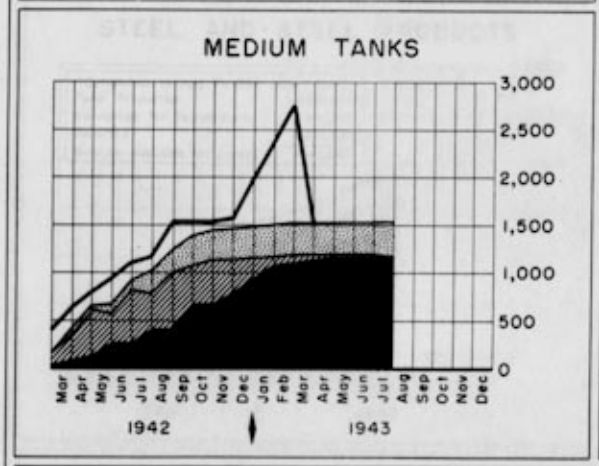
EXPORTS AND AVAILABILITY OF SELECTED ITEMS

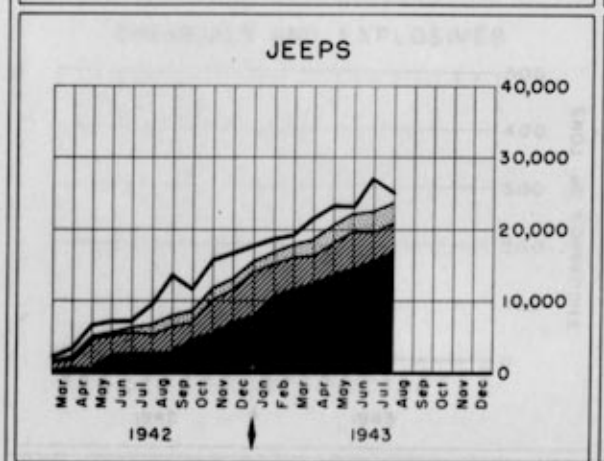
CUMULATIVE SINCE OCTOBER 1, 1941

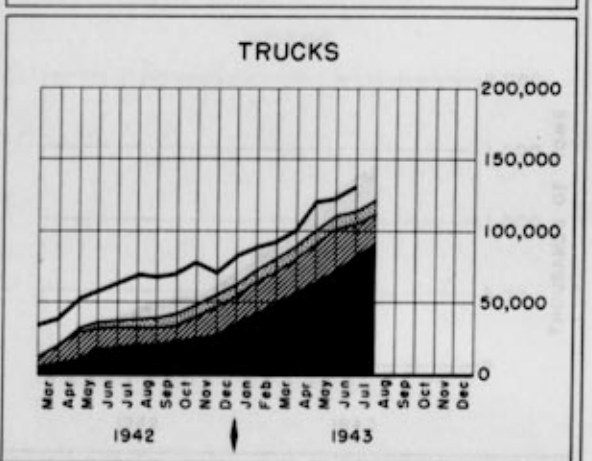
Quantity made available at U.S. centers of production











Office of Lend-Lease Administration

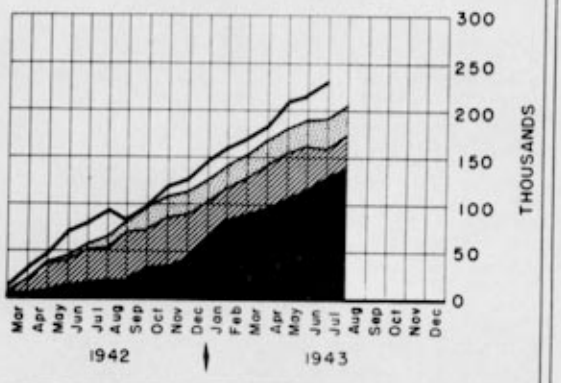
EXPORTS AND AVAILABILITY OF SELECTED ITEMS

CUMULATIVE SINCE OCTOBER 1, 1941

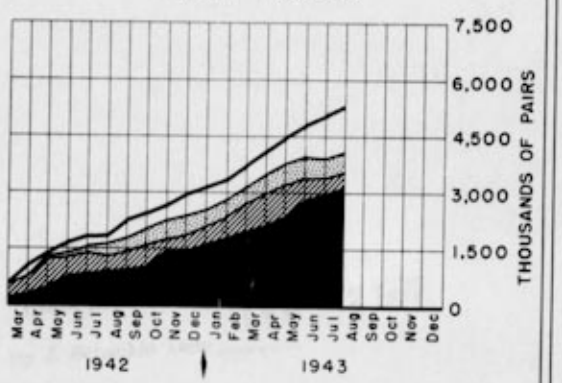
Exported
Lost En Route
Arrived

Quantity made available at U.S. centers of production

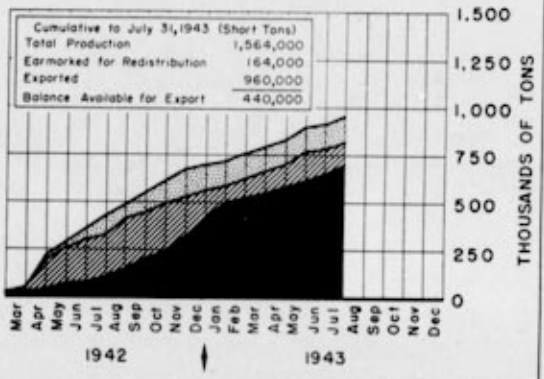
FIELD TELEPHONES



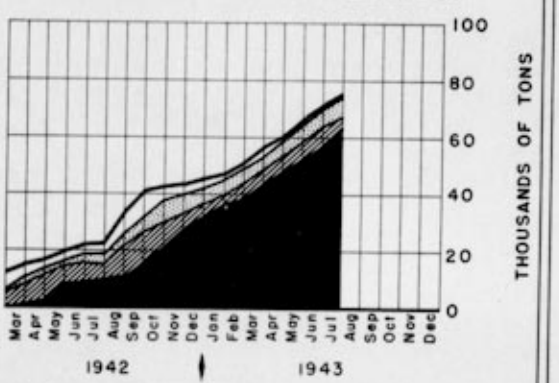
ARMY BOOTS



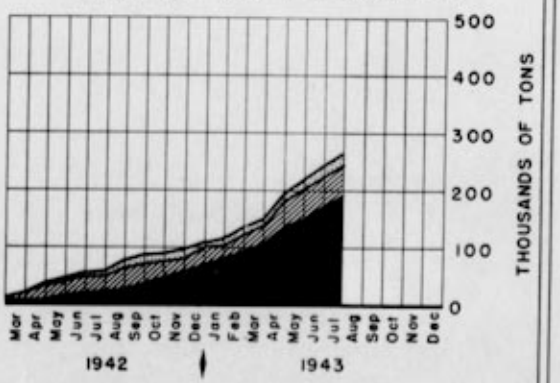
STEEL AND STEEL PRODUCTS



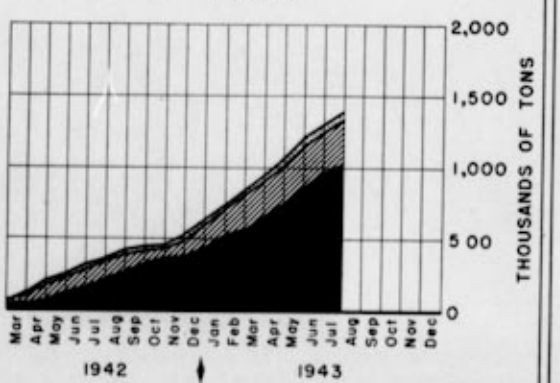
ALUMINUM AND DURALUMINUM



CHEMICALS AND EXPLOSIVES



FOODS



Office of Lend-Lease Administration

SECRET

EXPORTS AND AVAILABILITY

As of July 31, 1943

Ref.	Item	Proposed Third Protocol Performance July 1, 1943 to July 31, 1943			Cumulative Performance - 1st, 2nd and Proposed 3rd Protocols October 1, 1941 to July 31, 1943						
		Made Available a/	Offered to be Made Available b/	Exported	Made Available	Exported	Arrived c/	Lost	Diverted to Others After Export d/	In U. K. Awaiting Forwarding d/	Balance En Route July 31, 1943
	Military Items										
	Aircraft										
I 1A	Pursuit Planes	282	200	197	2,229	2,078	1,555	292	1	0	230
I 1B	Light Bombers	100	100	118	1,921	1,846	1,678	150	(41) e/	0	17
I 1C	Medium Bombers	15	25	21	245	227	222	5	0	0	0
I 1D	Heavy Bombers	0	0	0	1	1	1	0	0	0	0
I 1E	Cargo Planes	18	20	17	105	103	103	0	0	0	0
I 1F	Advanced Trainers	0	0	0	30	30	29	0	0	0	1
I 1G	Observation Planes	0	0	0	30	30	19	11	0	0	0
	Tanks										
I 2A	Light Tanks	0	0	0	1,680	1,680	1,237	443	0	0	0
I 2B	Medium Tanks	0	167	0	1,536	1,536	1,174	362	0	0	0
	Guns										
I 3A	AA 90 mm.	0	0	8	100	92	52	8	0	20	12
I 4A	AA 40 mm.	360	0	480	1,535	555	21	0	0	0	534
I 4B	AA 37 mm.	0	0	0	508	424	308	16	0	68	32
I 4C	AA 50 Cal. Twin Machine Gun	-	0	224	-	1,024	100	0	0	400	524
I 5A	AT 57 mm.	0	0	0	400	0	0	0	0	0	0
I 5B	AT 37 mm.	0	0	0	63	63	35	28	0	0	0
I 6A	Submachine Guns 45 cal.	0	0	0	-	132,799	109,609	23,190	0	0	0
I 6B	Rocket Launchers	0	0	0	3,000	3,000	3,000	0	0	0	0
I 6C	Mortars 81 mm.	0	0	0	30	30	30	0	0	0	0
I 6D	Pistols & Revolvers	1,000	0	5,500	6,500	5,500	0	0	0	0	5,500
	Vehicles										
I 9A	Armored Scout Cars	0	375	0	-	914	746	168	0	0	0
I 9B	Jeeps (¼ Ton 4x4)	1,300	2,000	1,387	25,210	23,837	17,187	3,248	334	1,044	2,024
I 9C	Personnel Carriers (½ Track)	-	50	0	-	329	280	49	0	0	0
I 9E	1½ Ton (Half Track - Cargo)	-		1		1	0	0	0	0	1
I 10A	Weapon Carriers (3/4 Ton)	0		156	-	4,804	3,990	0	0	598	216
I 10B	Trucks (1½ Ton)	1,500	11,000	4,514	-	58,745	43,345	5,668	1,826	1,430	6,476
I 10C	Trucks (2½ Ton)	2,222		2,091	-	57,555	44,502	3,976	704	3,414	4,959
I 10D	Trucks (5 Ton & Over)	0		0	-	54	54	0	0	0	0
I 10E	Tank Transporters (20 & 40 Ton)	20		16	-	92	60	16	0	0	16
I 34	Field Repair Trucks	0	0	20	-	324	269	3	0	0	52
I 17	Motorcycles	400	1,000	852	-	12,252	8,300	1,340	0	1,100	1,512
I 18	Prime Movers for Artillery	124	200	174	-	2,065	1,597	195	0	155	118
	Signal Equipment										
I 20A	Radio Stations over 1 KW	7	0								
I 20B	Radio Sets under 1 KW	980	1,025								
I 23	Radio Tubes (1000 Units)	163	196								
I 25	Radio Altimeters	10	0								
I 31A	Dry Cells for Radios	-	0	500		25,500	25,500	0	0	0	0
I 28	Radio Measuring & Test Equipment ($1000)	93	250								
I 32	Radio Parts & Accessories ($1000)	-									
I 11	Field Telephones	10,040	8,334	15,951	-	205,026	141,843	31,432	600	11,600	19,551
I 12	Field Telephone Wire (Miles)	22,520	12,500	14,408	-	692,761	538,383	124,007	0	12,604	17,767
I 30	Dry Cells for Field Telephones	-	0								
I 24	Gas Driven Generators	0		297		11,360	11,126	103	0	0	131
	Explosives										
I 14A	Powder (Tons)	5,802	5,600	6,150	-	44,748	26,604	3,549	0	5,369	9,226
I 13A	Toluol (Tons)	6,094	2,240	9,546	-	45,323	30,361	2,874	359	1,810	9,919
I 13B	T.N.T. (Tons)	2,450	2,240	1,300	65,930	35,168	26,697	3,549	250	2,452	2,220
	Other Military Items										
I 35A	Pneumatic Floats	0	0	0		3,000	2,398	552	0	50	0
I 35C	Barbed Wire Cutters ($1000)			0		300	300	0	0	0	0
I 35E	Smoke Pots			0		5,000	5,000	0	0	0	0
	Quartermaster Items										
II 71A	Leather (Tons)	3,613	1,500	1,003	32,870	24,209	17,268	4,615	0	663	1,663
II 72A	Army Boots (1000 pr.)	332	300	117	5,399	4,099	3,116	555	0	256	172
II 72B	Ski Boots (1000 pr.)	0	0	0	125	57	28	0	0	4	25
II 73A	Woolen Cloth (1000 yds)	-	150	756	-	9,332	6,886	593	0	1,089	764
II 75	Webbing (1000 yds.)	-	500	0	-	21,687	17,453	2,207	0	2,027	0
	Medical Supplies										
V	Drugs, Instruments, Equipment, etc. ($1000)	323	1,000								
	Materials										
	Non-Ferrous Metals & Products										
II 3	Aluminum Ingots (Tons)	4,651	2,980	2,683	41,217	40,698	34,045	4,532	0	0	2,121
II 3A	Duraluminum (Tons)	88		1,426		33,870	29,360	2,392	0	14	2,104
II 4A	Pig Nickel (Tons)	700	300	215	4,722	4,698	3,846	811	0	0	41
II 4B	Monel Scrap (Tons)	0	50	0	0	0	0	0	0	0	0
II 4C	Nickel Products, pure (Tons)	0	-	0	-	114	100	14	0	0	0

Notes: All tons are 2,000 lbs. net weight. (Offerings for which no monthly schedules are quoted in the Proposed Third Protocol have been computed on the basis of proportional time elapsed.

a/ New production or distribution from stocks during July.
b/ Offerings are not obligations until selections are made and Third Protocol signed.
c/ Includes shipments for clearance through Persian corridor reported arrived in Persian Gulf.
d/ 1943 discharge in U. K. considered as awaiting forwarding except aircraft shown as arrived.
e/ 41 planes diverted to British after arrival in Middle East.

Ref.	Item	Proposed Third Protocol Performance July 1, 1943 to July 31, 1943			Cumulative Performance - 1st, 2nd and Proposed 3rd Protocols October 1, 1941 to July 31, 1943						
		Made Available a/	Offered to be Made Available b/	Exported	Made Available	Exported	Arrived c/	Lost	Diverted to Others After Export d/	In U. K. Awaiting Forwarding d/	Balance En Route July 31, 1943
	Non-Ferrous Metals & Products Continued										
II 5	Molybdenum Concentrates (Tons)	174	333	0	8,518	8,365	6,935	1,430	0	0	0
II 6	Copper, Electrolytic (Tons)	0	f/	20	1,146	1,023	1,003	0	0	0	20
II 7	Brass, Bronze & Other Copper Base Alloys (Tons)	2,986	8,960	2,367	155,909	135,485	104,187	13,997	0	5,209	12,092
II 11	Copper Goods and Tubes (Tons)	380	1,347	237	18,510	14,579	12,455	1,193	35	283	613
II 9	Zinc (Slabs) (Tons)	2,400	1,120	3,115	-	42,375	34,988	2,323	0	0	5,064
II 8	Magnesium Metal (Tons)	336	336	375	2,353	1,892	1,317	0	0	0	575
II 88	Manganese Metal (Tons)	0	0	0	11	0	0	0	0	0	0
II 58	Cerium Metal (Tons)	0	0	0	14	14	11	0	0	0	3
II 30A	Nichrome Wire (Tons)	29	44	0	757	711	559	92	0	0	60
II 30B	Other Nichrome Products (Tons)	13	-	9	508	426	358	0	0	25	43
II 29	Special Wires (Tons)	1	22	21	391	285	275	2	0	0	8
II 49	Mercury (Tons)	0	0	0	895	865	865	0	0	0	0
II 89	Lead (Tons)	0	0	0	43	9	9	0	0	0	0
II 90	Tin (Tons)	0	0	8	10	10	2	0	0	0	8
II 91	Aluminum & Nickel Foil (Tons)	0	0	0	150	150	146	4	0	0	0
II 92	Babbit Metal (Tons)	0	0	4	106	106	45	20	0	0	41
II 93	Cadmium (Tons)	0	0	0	201	201	201	0	0	0	0
II 94	Cobalt (Tons)	13	13	0	181	146	146	0	0	0	0
II 82	Metallic Cloth & Screen ($1000)	100	833	42	1,096	879	715	7	0	0	157
II 61A3	Metallic Sodium (Tons)	0	0	0	1,102	1,103	827	258	0	18	0
II 35B	Other Non-Ferrous Metals & Products (Tons)	.3		0	9,945	9,945	9,945	0	0	0	0
	Ferro Alloys										
II 12	Ferrosilicon (Tons)	0	784	0	8,247	3,957	2,764	1,049	0	28	116
II 13	Ferrochrome (Tons)	0	448	0	4,113	1,985	1,457	494	0	0	34
II 85	Ferro-phosphorus (Tons)	0	0	0	4	4	4	0	0	0	0
II 86	Ferro-vanadium (Tons)	0	0	0	2	2	2	0	0	0	0
II 87	Ferro-tungsten (Tons)	0	0	0	2	2	2	0	0	0	0
	Steel & Steel Products										
II 10	Bimetal (Copper clad strip) (Tons)	492		986	19,783	6,527	5,102	60	0	288	1,077
II 14	Armor Plate (Tons)	0		0	8,951	8,951	5,787	2,852	267	0	45
II 16	Polished Drill Rods (Tons)	10		10	266	200	186	2	0	10	2
II 17	High Speed Tool Steel (Tons)	233		36	5,203	4,979	4,470	386	0	83	40
II 18	Tool Steel (Tons)	792		341	15,682	13,378	11,188	883	25	447	835
II 19	Cold Finished Bars (Tons)	4,480		2,113	110,203	72,501	58,880	6,433	280	3,024	3,884
II 20	H.E. Aircraft Steel (Tons)	3,031		12,061	116,614	73,477	53,094	1,375	0	657	18,351
II 21	Cr. Si. Mn Billets (Tons)	0		0	82,771	79,340	65,859	9,081	431	3,214	755
II 22	C. R. Sheets (Tons)	0		8	86,550	80,851	48,769	29,653	1,709	699	21
II 22A	C. R. Strip (Tons)	498		5	75,559	64,540	51,002	11,266	797	1,089	386
II 23	Stainless Steel (Tons)	144		161	5,658	3,897	3,406	70	0	1	420
II 24	Tinplate (Tons)	1,768		104	80,730	75,795	61,805	10,602	970	1,902	516
II 25	Steel Wire (Tons)	1,372		837	81,472	56,595	47,085	4,948	672	968	2,922
II 26	Wire Rope (Tons)	1,823		889	27,148	15,789	13,484	789	0	344	1,172
II 27	Steel Alloy Tubes (Tons)	1,704		1,414	23,357	9,305	7,303	41	0	105	1,856
II 28	Stainless Steel Wire (Tons)	18		7	2,434	2,196	1,955	94	13	44	90
II 31	Barbed Wire & Staples (Tons)	0		0	48,681	45,765	34,705	10,538	203	99	220
II 32	Pipe and Tubing (Tons)	495		5,066	165,013	65,689	43,003	15,839	1,571	288	4,988
II 33	H. R. Sheets & Plates (Tons)	4,858		4,238	183,348	115,821	80,176	18,642	1,533	4,383	11,087
II 34	Bolts, Nuts, Rivets, Angles & Channels (Tons)	187		648	10,312	4,579	3,478	0	0	0	1,101
II 101	R. R. Rails & Accessories (Tons)	15,467		17,982	168,195	129,058	80,151	17,318	0	618	30,971
II 102	Mounted Sets of Wheels & Axles (Tons)	358		71	23,871	2,193	1,121	90	0	911	71
II 103	Car Axles (Tons)	0		135	35,551	19,870	13,684	927	0	4,050	1,209
II 104	Locomotive Car Wheel Tires (Tons)	304		547	13,304	6,131	4,923	53	0	484	671
II 105	Rolled Steel Car Wheels (Tons)	0		931	8,766	2,765	1,322	0	0	512	931
II 107	Steel Locomotive Axles (Tons)	0		0	255	42	42	0	0	0	0
II 108	Electric Locomotive Axles (Tons)	0		0	300	222	0	0	0	0	222
	Total Steel & Steel Products	38,034	59,166	48,590	1,399,977g/	960,456	701,980	141,942	8,471	24,220	83,843
II 37	Petroleum Products (Tons)	h/	47,040	70,680	h/	469,142	321,555	9,071	14,872	41,539	82,105
	Chemicals										
II 36	Phenol (Tons)	0	1,000	93	17,880	14,555	12,236	1,576	170	448	125
II 38	Ethylene Glycol (Tons)	250	280	250	8,347	4,781	3,985	189	0	358	249
II 38a	Ethyl Alcohol (Tons)	308	8,960	308	20,700	20,454	8,528	159	0	0	11,767
II 39	Sodium Bromide (Tons)	364	i/	5	2,872	1,674	1,277	334	0	58	5
II 40	Phosphorus (Tons)	0	i/	0	3,451	1,965	1,480	485	0	0	0
II 41	Dibutylphthalate (Tons)	-	i/	0	-	3,327	2,358	859	70	0	40
II 42	Dimenthylaniline (Tons)	-	i/	0	-	2,250	1,728	420	0	19	83
II 43	Diphenylamine (Tons)	-	i/		-	1,489	1,230	256	0	0	3
II 44	Colloxylin (Tons)	0	i/	0	8,156	4,766	3,231	1,339	86	110	0
II 45	Methanol (Tons)	0	560	0	21,292	13,019	9,001	2,954	371	683	10
II 46	Urotropine (Tons)	-	560	0	-	5,509	4,862	358	25	201	63
II 48	Ammonium Chloride (Tons)	0	i/	0	4,800	651	626	0	0	0	25
II 50	Potassium Nitrate (Tons)	0	i/	115	3,600	1,280	937	0	0	138	205

Notes: All tons are 2,000 lbs. net weight. (Offerings for which no monthly schedules are quoted in the Proposed Third Protocol have been computed on the basis of proportional time elapsed.

a/ New production or distribution from stocks during July.
b/ Offerings are not obligations until selections are made and Third Protocol signed.
c/ Includes shipments for clearance through Persian corridor reported arrived in Persian Gulf.
d/ 1943 discharge of U. K. considered as awaiting forwarding except aircraft shown as arrived.
f/ Offering is for material contained in other items.
g/ Amounts made available are net after 163,792 S.T. earmarked for diversion.
h/ Petroleum products made available according to shipping schedules.
i/ New production applicable to monthly offering of 1,008 S.T. of miscellaneous chemicals.

Ref.	Item	Proposed Third Protocol Performance July 1, 1943 to July 31, 1943			Cumulative Performance - 1st, 2nd and Proposed 3rd Protocols October 1, 1941 to July 31, 1943						
		Made Available a/	Offered to be Made Available b/	Exported	Made Available	Exported	Arrived c/	Lost	Diverted to Others After Export d/	In U. K. Awaiting Forwarding d/	Balance En Route July 31, 1943
	Chemicals Continued										
II 51	Ammonium Cyanide (Tons)	0	1/	0	3	2.6	2.4	0	0	0	.2
II 52	Centralite (Tons)	-	1/	20	-	557	515	0	0	0	42
II 53	Resorin (Tons)	0	1/	0	120	60	50	0	0	10	0
II 54	Barium Peroxide (Tons)	0	1/	0	331	106	106	0	0	0	0
II 55	Strontium Oxalate (Tons)	0	1/	20	96	48	28	0	0	0	20
II 56	Rhodamine (Tons)	0	1/	1	6	6	2.5	0	0	0	3.5
II 57	Torium Nitrate (Tons)	0	1/	0	12	12	6	0	0	0	0
II 59	Cresol (Tons)	0	1/	0	441	292	231	61	0	0	0
II 60	Potassium Sulphate (Tons)	0	1/	0	1,800	405	360	0	0	45	0
II 61	Anthracene (Tons)	0	1/	0	9	9	9	0	0	0	0
II 77	Vistanex (Tons)	26	1/	0	382	207	164	5	0	38	0
II61A1	Phenol Formaldehyde (Tons)	0	1/	0	1,008	941	745	141	0	0	55
II61A2	Ammonite (Tons)	2,943	1/	283	12,771	6,594	6,306	0	0	0	288
II61A3	Caustic Soda (Tons)	761	3,360	867	28,280	24,712	23,378	707	0	0	627
II61A4	Picric Acid (Tons)	-	1/	0	-	357	210	0	0	147	0
II61A5	Acetone (Tons)	0	560	0	1,504	907	907	0	0	0	0
II61A6	Soda Ash (Tons)	0	1/	576	1,389	1,210	634	0	0	0	576
II61A7	Boric Acid (Tons)	0	1/	0	459	459	292	167	0	0	0
II61A8	Calcium Carbide (Tons)	0	1/	50	256	218	168	0	0	0	50
II61A9	Aniline Oil (Tons)	0	1/	0	5,712	3,521	2,466	927	16	112	0
II61A10	Ethylene Dibromide (Tons)	0	1/	0	4,614	1,449	1,449	0	0	0	0
II61A11	Glycerine (Tons)	1,695	560	673	11,360	7,840	6,556	122	0	0	1,162
II61A14	Neozone (Tons)	0	1/	0	504	470	470	0	0	0	0
II61A15	Twitchell or Petrov Regent (Tons)	0	1/	124	507	341	341	0	0	0	0
II61A16	Ethylene Chlorohydrin (Tons)	0	1/	0	31	11	11	0	0	0	0
II61A17	Diethylene Glycol (Tons)	0	1/	0	552	174	174	0	0	0	0
II61A18	Potassium Chlorate (Tons)	135	1/	0	1,258	444	404	0	0	40	0
II61A19	Crystalline Saccharin (Tons)	25	1/	13	222	198	175	10	0	.2	13
II61A20	Sodium Bichromate (Tons)	0	1/	0	600	326	276	0	0	0	50
II61A21	Black Dyes (Tons)	0	1/	0	752	159	159	0	0	0	0
II61A22	Napthenic Acid (Tons)	0	1/	0	600	0	0	0	0	0	0
II61A23	Ammonium Nitrate (Tons)	0	1/	0	3,701	3,353	2,602	113	0	638	0
II61A24	Carbon & Lamp Black (Tons)	0	1/	0	2,251	2,238	2,238	0	0	0	0
II61A25	Potassium Tetroxide (Tons)	74	1/	4	319	172	168	0	0	0	4
II61A99	Other Misc. Chemicals (Tons)	508	1/	770	8,098	5,740	4,675	121	0	23	921
	Copper Cables & Wire										
II 1	Marine Cable (Miles)	56	62	26	1,337	930	670	127	0	92	41
II 2	Submarine Cable (Miles)	0	31	106	765	684	503	31	0	0	150
II 74	Other Insulated Copper Cable ($1000)	-	-	144	-	10,075	8,551	218	0	866	440
II 74A	Bare Copper Cable & Wire ($1000)	3	-	120	1,303	1,095	853	0	0	80	162
	Other Materials & Products										
II 35A	Misc. Ferrous Metals & Products ($1000)	-	1/	162	-	958	732	35	0	0	191
II 35A1	Chains & Anchors (Tons)	-	1/	480	-	1,053	574	0	0	0	479
II 35C	Non-Metallic Minerals ($1000)	24	1/	8	363	260	191	57	0	0	12
II 35	Misc. Materials & Prods.N.E.S.($100)	-	1/	56	-	308	221	3	0	27	57
II 67A	Abrasive Grain (Tons)	960	333	186	3,601	1,563	1,078	50	0	200	235
II 67B	Abrasive Products ($1000)	175	333	171	6,949	6,278	4,645	956	33	344	300
II 68A	Graphite Electrodes (Tons)	334	479	153	9,775	8,305	6,475	1,295	25	403	107
II 68B	Graphite Products ($1000)	34	-	20	925	904	737	100	0	4	63
II 68C	Graphite Powder (Tons)	131	93	178	1,165	909	605	126	0	0	178
II 80	Sheet Fibre (Tons)	50	83	259	3,131	1,798	815	488	3	147	345
II 79	Hose ($1000)	*									
II 81	Shock Absorber Cord (Yards)	-	1/	0	-	353,454	353,182	0	0	0	272
II 83	Condenser Paper (Tons)	0	12	0	156	119	118	0	0	0	1
II 83A	Cigarette Paper (Tons)	0	28	6	1,042	398	322	68	0	0	8
II 83B	Parchment Paper (Tons)	0	140	35	2,647	822	787	0	0	0	35
II 78	Tires (Units)	156,842	k/	96,195	1,514,568	1,262,931	978,781	81,840	0	43,938	158,372
II 78	Tubes (Units)	206,987	k/	95,445	1,650,322	1,215,919	926,949	78,446	0	46,222	164,302
II 78A	Other Rubber Products ($1000)	-	1/	322	-	2,299	1,574	67	0	22	636
II 96A	Textiles N.E.S. ($1000)	-	1/	71	-	1,172	1,019	0	0	12	141
II 96B	Fish Nets (Tons)	71	1/	0	202	56	56	0	0	0	0
II 96C	Rope (Tons)	-	1/	0	-	997	981	0	0	16	0
II 97	Raw Cork (Tons)	-	1/	0	-	62	62	0	0	0	0
	Industrial Equipment (Unit $1000)										
II 15A	Cemented Carbide Tips & Blanks	270	250	228	1,558	1,152	861	10	0	0	281
II 15B1	Metal Cutting Tools	526		521	15,795	14,557	13,923	42	0	3	589
II 15B2	Portable Metal Cutting Machines and Tools	23	1,250	4	130	95	88	4	0	0	3
II 15B3	Other Cutting & Boring Tools	113		157	3,384	2,913	2,723	54	0	0	136
II 15C	Precision Measuring Tools and Instruments	180	250	75	585	326	277	1	0	0	48
II 62	Machine Tools (Units)			(721)		(12,784)	(10,349)	(969)	(0)	(515)	(951)
		-	10,000	5,705 (11)	-	90,447 (309)	71,853 (267)	6,823 (37)	0 (0)	3,955 (5)	7,806 (0)
II 63	Electric Furnaces (Units)	-	1,000	164	-	5,245	3,998	595	0	97	555

Notes: All tons are 2,000 lbs. net weight. (Offerings for which no monthly schedules are quoted in the Proposed Third Protocol have been computed on the basis of proportional time elapsed.

* Complete data not yet available.

a/ New production or distribution from stocks during July.

b/ Offerings are not obligations until selections are made and Third Protocol signed.

c/ Includes shipments for clearance through Persian corridor reported arrived in Persian Gulf.

d/ 1943 discharge of U. K. considered as awaiting forwarding except aircraft shown as arrived.

1/ New production applicable to monthly offering of 1,008 S.T. of miscellaneous chemicals.

1/ Included in blanket offering for Miscellaneous Materials

k/ Offering is for rubber contained in all items except military.

4-0344

Ref.	Item	Proposed Third Protocol Performance July 1, 1943 to July 31, 1943			Cumulative Performance - 1st, 2nd and Proposed 3rd Protocols October 1, 1941 to July 31, 1943						
		Made Available a/	Offered to be Made Available b/	Exported	Made Available	Exported	Arrived c/	Lost	Diverted to Others After Export d/	In U. K. Awaiting Forwarding d/	Balance En Route July 31, 1943
	Industrial Equipment Cont'd (Unit $1000)										
II 64A	Steel Rolling Mills & Equip.	*	1,333								
II 64B	Presses, Forges, Hammers, (Units) etc.	-		(15)	-	(1,017)	(794)	(96)	(4)	(70)	(53)
		-	2,500	248	-	14,942	12,376	828	26	1,121	591
II69&70	Ball & Roller Bearings	938	1,250	233	5,708	3,954	3,415	150	0	-	389
II 64C	Drawing Machines	*	166								
II 65A	Excavators & Excavating Equip.	-	1,042	948	-	8,470					
II 65B	Truck & Tractor Cranes	45	167	80	2,265	1,463					
II 65C	All Other Cranes	-	1,667	258	-	1,964					
II 65D1	Compressors	-	} 750	72	-	2,362					
II 65D2	Fans, Blowers & Exhausters	3		8	40	12					
II 65E	Pumps	-	667	20	-	1,816					
II 65F	Mining Ore Dressing, etc.	634	833	194	3,995	1,543					
II 65G	Equip. for Blast Furnaces	13	833	0	93	8					
II 65H	Welding Equipment	471	333	43	2,052	697					
II 65I	Valves & Fittings	* -	250		-						
II 65J	Pneumatic Tools	554	416	215	2,588	1,420					
II 65K1	Engines & Turbines	0	e/	0	1,604	1,568					
II 65K2	Industrial Trucks & Tractors	114	e/	54	2,994	2,035					
II 65K3	Mechanical Power Transmission Equipment	428	e/	33	1,582	548					
II 65K4	Other General Purpose Industrial Equipment	6	e/	12	114	119					
II 65K5	Elec. Motors, Generators, etc.		e/	144		3,556					
II 65K6	Elec. Transformers	229	e/	25	1,013	353					
II 65K7	Elec. Distribution & Control Appar.	* 150	e/		1,845						
II 65K8	Electric Ovens	0	e/	0	4	-					
II 65K9	Electric Lamps (bulbs)	7	e/	29	94	45					
II65K10	Electrical Appliances	0	e/	0	12	5					
II65K11	Misc. Electric Products	*	e/								
II65K12	Food Products Machinery	50	e/	0	303	77					
II65K13	Textile Machinery	0	e/	0	300	299					
II65K14	Spec. Machines for Pulp & Paper	0	e/	3	321	235					
II65K15	Printing Industry Machinery	0	e/	0	44	44					
II65K16	Tire Making Retreading Mach. & etc.	1,012	e/	114	7,869	3,274					
II65K17	Woodworking Machinery	-	e/	17	-	175					
II65K18	Petroleum Refinery Equip.	* 2,762	e/		13,944						
II65K19	Special Machinery for Glass	0	e/	0	38	0					
II65K20	Special Machinery for Chemicals	66	e/	0	304	17					
II65K21	Gas Producing Generating Appar.	163	e/		1,590						
II65K22	Other Special Industry Machines	*	e/								
II65K22a	Special Cartridge Mfg. Lines	*	e/								
II65K23	Smelting Alloying & Refining Casting Equipment	-	e/	2	-	115					
II65K24	Rolling Mills (Except Steel)	771	e/	53	6,236	4,294					
II65K25	Misc. Metal Working Equipment	-	e/	0	-	92					
II65K26	Attachments & Accessories for Machine Tools, etc.	-	e/	35	-	624					
II65K27	Agricultural Mach. (Except Tractors)	83	e/	0	111	8					
II65K28	Oil Well Drilling Equipment	400	e/		3,734						
II65K29	Earth & Rock Boring Machinery		e/	0		17					
II65K30	Construction Machinery	0	e/	0	308	180					
II65K31	Office Machines		e/	0		48					
II65K32	Miscellaneous Machines	* 230	e/		758						
II65K33A	Automatic Block Signal System	0	-	0	0						
II65K34	R.R. & Ind. Transporting Equip.	92	e/	29	1,439	495					
II65K35	Motor Vehicles & Parts	1	e/		158						
II65K36	Air Conditioning Equipment	3	e/	9	14	9					
II65K37	Lighting Fixtures	0	e/		196						
II65K38	Photograph Goods		e/	1		914					
II65K39	Indicating, Recording & Control & Optical Instruments		e/	86		1,340					
II65K40	Professional & Scientific Instr.	14	e/	158	656	566					
II65K41	Misc. Equipment N.E.S.	*	e/								
II65K42	Hand Tools	*	e/								
II 66	Metal Working Precision Measuring & Testing Machines	*	142								
II 140	Special Power Program	* 6,663	} 6,250		25,546						
II 140a	Industrial Boilers for Power Prog.	* 959			1,969						

Notes: All tons are 2,000 lbs. net weight. (Offerings for which no monthly schedules are quoted in the Proposed Third Protocol have been computed on the basis of proportional time elapsed.

* Complete data not yet available.

a/ New production or distribution from stocks during July.

b/ Offerings are not obligations until selections are made and Third Protocol signed.

c/ Includes shipments for clearance through Persian corridor reported arrived in Persian Gulf.

d/ 1943 discharge of U. K. considered as awaiting forwarding except aircraft shown as arrived.

e/ Included in blanket offering for "Auxiliary Industrial Equipment".

Ref.	Item	Proposed Third Protocol Performance July 1, 1943 to July 31, 1943			Cumulative Performance - 1st, 2nd and Proposed 3rd Protocols October 1, 1941 to July 31, 1943						
		Made Available a/	Offered to be Made Available b/	Exported	Made Available	Exported	Arrived c/	Lost	Diverted to Others After Export d/	In U. K. Awaiting Forwarding d/	Balance En Route July 31, 1943
	Foodstuffs (All Units in Tons)										
IV 1	Wheat & Flour		63,893	14,209		305,432	262,440	1,726	275	5,062	35,929
IV 2	Sugar		36,400	12,881		202,960	158,615	15,236	504	11,247	17,358
IV 3	Canned Meat Products		18,666	21,180		250,055	187,504	16,112	4,429	10,413	31,597
IV 4	Meat		} 25,666	9,401		124,803	104,145	3,391	573	5,179	11,515
IV 5	Lard			3,968		73,102	46,811	6,202	5,917	10,929	3,243
IV 6	Vegetable Oil		18,750	7,735		139,329	123,451	355	0	2,274	13,249
IV 7	Soap		933	490		5,294	4,417	111	0	0	766
SP100	Miscellaneous Foods		0	798		1,953	1,124	3	0	0	826
SP101	Cereals & Prods. Other than Wheat		26,500	6,544		67,983	55,710	1,065	253	0	10,955
SP102	Fodder		0	2,691		4,608	1,869	0	0	0	2,739
SP103	Canned Fruits & Vegetables		0	88		1,760	1,556	75	0	0	129
SP104	Dried Fruits & Vegetables		15,400	3,948		116,889	78,341	6,558	3,599	19,394	8,997
SP105	Whole Fruits & Vegetables		0	585		659	74	0	0	0	585
SP106	Cheese		1,400	605		4,326	2,953	295	0	0	1,078
SP107	Butter		3,266	4,281		15,989	11,330	365	415	320	3,559
SP109	Condensed Evaporated Milk		1,120	927		6,213	3,790	188	0	0	2,235
SP110	Salt		0	15		1,551	1,536	0	0	0	15
SP111	Dried Eggs		3,266	749		31,951	20,540	4,058	1,131	4,165	2,057
SP112	Concentrated Foods		0	210		1,350	1,110	0	0	0	240
SP113	Vitamin Tablets		0	-		268	231	0	0	36	1
SP114	Dried Milk & Milk Powder		2,240	1,068		17,850	11,854	424	0	4,394	1,178
SP115	Citric Acids & Concentrates		466	9		1,255	1,188	56	0	0	11
SP116	Veg. Pastes & Dehydrated Soups		2,706	613		836	223	0	0	0	613
SP117	Tea		0	39		661	566	0	0	0	95
SP118	Coffee		0	9		2,774	2,204	0	0	560	10
SP119	Dehydrated Meats		0	63		774	711	0	0	0	63
SP120	Seeds		0	29		10,042	9,995	18	0	0	29
SP121	Vegetable Meat Substitutes		0	0		0	0	0	0	0	0
SP122	Yeasts		0	1		287	171	0	0	112	4
SP123	Oleomargarine		0	1,199		5,961	3,990	0	0	0	1,971
SP124	Dehydrated Fruits & Vegetables		2,333	126		619	481	0	0	0	138
	Total Foods	e/	223,005	94,460	e/	1,397,534	1,098,930	56,238	17,096	74,085	151,185
	Naval Stores										
VI 1	Marine Diesel Engines	50	44	38	528	397	335	9	0	0	53
VI 2	Marine Gasoline Engines	519	13	161	2,372	1,399	1,226	46	0	65	62
VI 4	Outboard Motors	100	0	0	300	200	200				
VI 5	Dry Cargo Vessels Transferred		0	4		57					
VI 6	Tankers Transferred		0	2		9					
VI 7	Minesweepers	3	1	2	3	2	0	0	0	0	2
VI 9	Submarine Chasers	4	0	1	4	1	0	0	0	0	1
VI 10	Landing Boats	0	0	9	30	9	0	0	0	0	9
VI 11	Motor Torpedo Boats	0	0	0	12	12	2	3	0	7	0
VI 17	Oerlikon Guns	0	0	75	1,000	855	425	61	0	150	219
VI 18	Ammunition for Naval Armament	Being supplied with armament									
VI 19	Storage Batteries for Submarines	0	2	0	16	15	12	0	0	2	1
VI 20	Diesel Gen. & Gen. Compressors	9	71	0	255	161	158	0	0	0	3
VI 21	Gasoline Driven Generators	0	25	0	0	0					
VI 22	Marine Turbo-Generators	0	1	0	14	4	4				
VI 23	Elec. Motors, Motor Gen. & Gen.	10	188	0	10	0					
VI 24	Portable Water Pumps	0	0	0	6	0					
VI 25	Marine Pumps, Non-Portable	6	22	0	7	0					
VI 25A	Marine Turbo-Pumps	32	0	0	63	0					
VI 30	Elec. & Pneumatic Underwater Tools, (Sets)	0	0	0	200	50	50				
VI 31	Portable Electric Stations	0	0	3	32	3	0	0	0	0	3
VI 32	Jetting Equip. for Salvage Operations (Sets)	0	2	0	0	0					
VI 33	Vertical Steam Boilers	0	1	0	3	2	2				
VI 34	Submarine Rescue Chambers	1	0	0	1	0					
VI 35	Windlasses W/Motors	4	1	0	4	0					
VI 36	Electric Ventilating Sets	0	55	0	0	0					
VI 37	Marine Turbo-Ventilators	6	1	0	32	0					
VI 38	Air Tanks	0	2	0	0	0					
VI 39	Towing Winches	0	1	0	0	0					
VI 40	Rotary & Changeover Switches	0	250	0	4,365	Export data not available					
VI 41	Watertight Junction Boxes	0	20	0	0	0					
VI 42	Aux. Equip. for Ships (Sets)	0	1	0	0	0					
VI 43	Elec. Instruments & Fixtures ($1000)	0	8	0	2	2	2				
VI 99A	Misc. Stores, Services, Supplies, Etc. ($1000)			313		1,442	1,099	0	0	0	343
VI 99B	Other Marine Mach. & Equip. ($1000)			17		228	201	0	0	13	14
VI 99C	Other Elec. Mach. & Equip. ($1000)			5		45	40	0	0	0	5
VI 99D	Optical & Navigational Instruments & Accessories ($1000)			1		18	18				
VI 99E	Radio, Radar & Related Equip. ($1000)			58		543	492	1	0	0	50
VI 99G	Torpedo Tubes & Related Equip. ($1000)			0		137	0	0	0	121	16
	Naval Armament	Soviet Vessels have been armed as they arrived at ports.									

Notes: All tons are 2,000 lbs. net weight. (Offerings for which no monthly schedules are quoted in the Proposed Third Protocol have been computed on the basis of proportional time elapsed.

a/ New production or distribution from stocks during July.
b/ Offerings are not obligations until selections are made and Third Protocol signed.
c/ Includes shipments for clearance through Persian corridor reported arrived in Persian Gulf.
d/ 1943 discharge of U. K. considered as awaiting forwarding except aircraft shown as arrived.
e/ Foodstuffs made available according to shipping schedules.

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PROGRESS OF INDUSTRIAL PROJECTS FOR THE U.S.S.R.

As of July 31, 1943

Petroleum Refinery Program

This project has been developed to replace Soviet facilities destroyed by the German Army. It is designed to produce aviation gas, motor gas and lubricating oils. Its cost is estimated at $39,000,000.

Process engineering is 100% complete; detail engineering and drafting are 91% complete; orders have been placed for 99% of the equipment involved; 80% of the equipment has been shipped from factory; over 40,000 tons of equipment have been exported. The whole refinery program including power equipment is scheduled for completion by the end of this summer, although certain special equipment such as valves, instruments and tank cars will not be delivered until late fall.

Tire Production Program

This $6,000,000 project is to permit the Soviet Government to produce a minimum of 1,000,000 military tires per year from their own supplies of synthetic rubber and natural rubber obtained from shrubs. To utilize idle American equipment, the tire plant of the Ford Motor Company has been purchased; all of this equipment has been dismantled and prepared for shipment. Seventy-five per cent of the new equipment to supplement the Ford plant has been shipped from suppliers; the remaining 25% will be made available from production by September 1943.

Automatic Block Signal System

This $13,000,000 project is to permit automatic signal operation of a portion of the U.S.S.R. railroad system. The equipment when installed will permit greater carrying capacity on existing rail facilities without increase of rolling stock. The system will consist of signal and signal operating equipment for 3000 km of track: 455 km single track alternating current supply, 1162 km single track storage battery supply, 800 km single track primary battery supply and 583 km double track storage battery supply. Contracts have been awarded and layout designs completed.

All drawings have been approved. Contracts for accessory equipment have been awarded. A requisition has been accepted for Diesel generating equipment to operate the line.

Power Program

Steam and Diesel generating equipment and industrial boilers called for under the Second Protocol have been made available to the extent of 95% of the program. Miscellaneous equipment, valves and special piping will be made available in September.

Power equipment under the Third Protocol has been approved and is now being placed under contract. The program consists of 327,700 KW - steam generating equipment; 168,925 KW - Diesel generating equipment; 54,500 KW - hydro-electric equipment and 6,410,000 lbs./hr. industrial steam boilers.

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STATEMENT OF VESSELS SAILED TO U.S.S.R

As of July 31, 1943

Date of Sailing	Number of Ships Sailing					Arrived	En Route as of July 31	Cargo Disch. in U.K.	Lost	Losses by Month
	For North Russia	For Persian Gulf	For Soviet Arctic	For Soviet Far East	Total					
1941 Oct	10	-	-	5	15	14	-	-	1	-
Nov	9	1	-	3	13	12	-	-	1	-
Dec	14	7	-	4	25	22	-	-	3	1
1942 Jan	20	-	-	4	24	19	-	1	4	3
Feb	13	2	-	4	19	16	-	-	3	1
Mar	31	6	-	6	43	32	-	4	7	9
Apr	62	6	-	10	78	46	-	13	19	-
May	14	10	2	7	31	21	-	4	6	6
Jun	8	11	6	9	34	27	-	-	7	6
Jul	2	5	16	12	35	34	-	-	1	16
Aug	11	5	1	19	36	33	-	-	3	1
Sep	4	8	-	17	29	29	-	-	-	10
Oct	-	13	-	19	32	32	-	-	-	-
Nov	-	8	-	26	34	32	-	-	2	3
Dec	4	11	-	24	39	38	-	1	-	-
1943 Jan	12	12	-	22	46	38	-	8	-	-
Feb	22	7	-	28	57	35	-	20	2	1
Mar	1	19	-	26	46	44	-	1	1	2
Apr	-	18	-	37	55	53	1	-	1	1
May	-	15	4	44	63	48	14	-	1	-
Jun	-	4	5	45	54	38	16	-	-	2
Jul	-	17	14	26	57	5	52	-	-	-
Aug										
Sep										
Oct										
Nov										
Dec										
Total Oct. 1941 to July 31, 1943	237	185	46	397	865	668	83	52*	62	62

* 22 vessels discharged in 1942. All but 11,000 tons of cargo have been forwarded or diverted to others. 30 vessels discharged in April, 1943. Cargo is being on-carried, stored, or diverted.

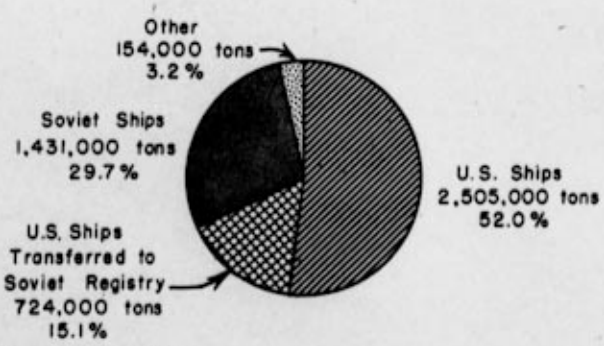
Of the 865 sailings from October 1, 1941 to July 31, 1943, 386 were made by American vessels, 352 by Soviet vessels, 109 by American vessels transferred to Soviet registry, 17 by British vessels and 1 by a Swedish vessel. The sailings were made by 570 vessels, 74 having sailed twice, 24 three times, 23 four times, 12 five times, 5 six times, 4 seven times and 1 eight times. In addition to the 865 sailings, there were 93 ships that loaded partial cargoes in the U.S. for the U.S.S.R. In addition to the 62 ships shown above as lost, several ships have been sunk on their return voyages.

STATEMENT OF CARGO SHIPPED TO U.S.S.R.
As of July 31, 1943

(Thousands of Gross Long Tons)

Month	For North Russia	For Persian Gulf		For Soviet Arctic	For Soviet Far East		Total	Arrived	En Route as of July 31	Cargo On Hand Or Diverted In U. K.	Lost	Losses By Month
		Full Cargoes	Partial Cargoes		Full Cargoes	Partial Cargoes						
1941 - Oct	48	-	-	-	17	-	65	62	-	-	3	-
Nov	41	3	-	-	14	-	58	55	-	-	3	-
Dec	50	10	-	-	11	-	71	63	-	-	8	3
1942 - Jan	63	-	-	-	26	-	89	72	-	1	16	9
Feb	66	4	1	-	20	-	91	76	-	-	15	5
Mar	171	17	1	-	25	-	214	163	-	6	45	42
Apr	376	21	-	-	38	-	435	262	-	46	127	-
May	92	79	8	-	33	-	212	143	-	20	49	38
Jun	55	84	7	18	31	-	195	139	-	-	56	55
Jul	13	39	25	46	59	1	183	174	-	-	9	114
Aug	69	39	25	3	83	-	219	197	-	-	22	7
Sep	28	63	9	-	79	-	179	179	-	-	-	65
Oct	-	109	12	-	108	-	229	229	-	-	-	2
Nov	-	66	6	-	106	1	179	166	-	-	13	17
Dec	29	83	8	-	123	-	243	236	-	7	-	-
1943 - Jan	73	83	4	-	98	-	258	210	-	48	-	-
Feb	164	40	-	-	129	-	333	168	-	150	15	8
Mar	9	131	-	-	123	-	263	246	-	9	8	16
Apr	-	139	6	-	193	-	338	323	8	-	7	7
May	-	112	9	12	217	-	350	254	89	-	7	-
Jun	-	25	4	16	228	1	274	188	86	-	-	15
Jul	-	116	10	52	158	-	336	31	305	-	-	-
Aug												
Sep												
Oct												
Nov												
Dec												
Total Oct. 1941 to July 31, 1943	1,347	1,263	135	147	1,919	3	4,814	3,636	488	287	403	403

DISTRIBUTION OF TONNAGE SHIPPED TO JULY 31, 1943
BY REGISTRY OF SHIPS



DATA ARE GROSS LONG TONS