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REPORT BY THE SECRETARY GENERAL OF PROGRESS  
DURING THE PERIOD  
1ST JULY TO 31ST DECEMBER, 1966

OTAN/NATO,  
Paris, (16e).

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REPORT BY THE SECRETARY GENERAL

1. The present report covers the period from 1st July to 31st December, 1966.

I. THE COUNCIL

(a) Presidency of the Council

2. On 18th September, 1966, Mr. Per Haekkerup, Minister for Foreign Affairs of Denmark, succeeded the Honourable Paul Martin, Secretary of State for External Affairs of Canada, as President of the Council.

3. On 5th December, following a change in the Danish Government, Mr. J.O. Krag, Prime Minister and Minister for Foreign Affairs of Denmark, succeeded Mr. Per Haekkerup as President of the Council.

(b) Changes among Permanent Representatives

4. In July 1966, Mr. C.S.A. Ritchie succeeded Mr. George Ignatieff as Permanent Representative of Canada.

5. In August 1966, Mr. H. Hjorth-Nielsen succeeded Dr. E. Schram-Nielsen as Permanent Representative of Denmark.

6. In November 1966, Sir Bernard Burrows succeeded Sir Evelyn Shuckburgh as Permanent Representative of the United Kingdom.

(c) December Ministerial Meeting

7. The North Atlantic Council, meeting on 15th and 16th December, reaffirmed the purposes and principles of the Alliance which has produced the basis for the present marked reduction of tension in Europe.

8. The Council associated itself with the views expressed in the Four-Power Declaration on Germany; reaffirmed its declaration of 16th December, 1958 on Berlin, and agreed on the need for continued efforts to achieve a peaceful solution of the German problem, to meet the German people's fundamental right to reunification. It has reiterated that the peaceful progress of Europe must proceed from reciprocal confidence and trust, which will take time to grow from sustained policies of co-operative effort and better understanding on both sides.

9. Members of the Atlantic Alliance have confirmed their intention to continue their efforts to secure better relations with the Soviet Union and the states of Eastern Europe in the political, economic, social, scientific and cultural fields. Ministers examined the report on East-West relations prepared in accordance with the instructions given at the last Ministerial Meeting in June 1966. They emphasised their willingness to explore ways of developing co-operation with the Soviet Union and the states of Eastern Europe in tasks of interest and benefit to all concerned.

10. Ministers affirmed their determination to continue to consult actively on problems of disarmament with a view to bringing about conditions which could permit a gradual and balanced revision in force levels on both sides. At the same time, they reaffirmed their conviction that no acceptable permanent solution to the question of European security is possible without agreement on the most critical political problems.

11. Turning to economic questions, Ministers reaffirmed that all advanced countries, whatever their economic systems, had a responsibility to offer assistance to developing countries.

12. There was an exchange of views on questions arising out of the uneven technological development of different countries, Ministers invited the Permanent Representatives to study the procedure which might be followed to give renewed impetus to international co-operation in the technological field, and to report their findings to the Spring Ministerial Meeting.

13. The Council, reaffirming the importance of continuing to assist Greece and Turkey to maintain the effectiveness of their contribution to the common defence, and recommending wide participation in the aid programme, agreed that this programme should be extended to cover the period 1966-1970.

14. Ministers took note of the Secretary General's report on his "Watching Brief" concerning Greek-Turkish relations and reaffirmed their support for the continuation of his activities in their respect. They expressed their firm hope that the continuing exchanges of views between Turkey and Greece on the Cyprus question and on Greek-Turkish relations would contribute to bringing about positive results.

15. The Council resolved to undertake a broad analysis of international developments since the signing of the North Atlantic Treaty in 1949 to determine the influence of such developments on the Alliance and to identify the tasks which lie before it, in order to strengthen the Alliance as a factor for a durable peace.

16. Ministers met as the Defence Planning Committee on 14th December, 1966. On the recommendation of the Special Committee of Defence Ministers, they agreed to establish in NATO two permanent bodies for nuclear planning - a policy body called the Nuclear Defence Affairs Committee, open to all NATO countries, and, subordinate to it, a Nuclear Planning Group of seven members.

17. To improve the ability of NATO to engage in timely consultation in the event of crisis, Ministers approved in principle the establishment of a new NATO-wide communications scheme along the lines recommended by the Special Committee. They also examined a report from the Special Committee on possible improved procedures for consultation. They agreed that further studies and planning in this area should be undertaken. The Special Committee, set up in June 1965, has now completed its task.

18. Ministers, having agreed to study whether a NATO satellite communication programme should be established, approved an experimental project in this field.

19. Ministers reviewed reports on the present status of NATO's military effort, and also questions of strategy, force requirements and resources. They gave instructions for further studies of the guidance to be given to the NATO Military Authorities for their appreciation of the military situation as it will affect NATO up to and including 1975. They also gave instructions for further work to be carried out within the framework of the new defence planning review procedures due to be initiated in January 1967 for the regular projection of NATO force planning five years ahead.

20. Ministers underlined the importance of the defence of flank regions and issued further guidance regarding the provision of external reinforcements in defence emergencies. They also gave instructions concerning the improvement of the local forces in the South-Eastern Region.

21. France did not take part in the discussions referred to in paragraphs 16 to 20 and did not associate herself with the corresponding decisions.

22. The Council decided that a temporary and a permanent Headquarters should be constructed in Brussels.

(d) Council participation in Exercise FALLEX 66

23. The NATO Council, in co-operation with national administrations, the Military Committee and Major NATO Commanders, participated in the first phase of Exercise FALLEX 66 during the period 12th to 19th October, 1966.

24. The objectives associated with this participation provided an opportunity for the Council (at the times in the forum of an exercise component), in conjunction with national authorities, to exercise some of the procedures for consultation, dissemination of military and political intelligence and decision-making in a period of tension and activity less than general war.

25. The principal aspects within this first phase of FALLEX 66, with which the Council and the above-mentioned participants were concerned, were:

- (a) the NATO Alert System;
- (b) collection and dissemination of world-wide political and military intelligence;
- (c) selective use of nuclear weapons;
- (d) warning of attack procedures;
- (e) military appreciation of developing situations;
- (f) other political military problems.

26. As the Exercise was designed to test procedures and was not to be regarded as an examination of the types of decision which would have been necessary in an emergency, the scenario was largely artificial. Consequently no political or strategic conclusion should be drawn from the play of the Exercise.

27. Many valuable lessons were learnt from the Council's participation in FALLEX 66 and a number of deficiencies were apparent. These included:

- (a) the need for expeditious action in the revision of the NATO Alert System;
- (b) the inadequacy of NATO communications;
- (c) deficiencies in warning of attack procedures;
- (d) inadequacies of procedures and communications for the timely collection and dissemination of intelligence information and other data;
- (e) the need for the consideration of experience gained in planning for future Council participation in other exercises.

28. A more definitive report on the participation of the Council in FALLEX 66 will be submitted for approval in the near future by the FALLEX 66 Working Group.



II. ACTIVITIES OF THE SECRETARY GENERAL AND OF THE DEPUTY SECRETARY GENERAL

(a) Visits to member countries

29. On the occasion of the meeting of the Nuclear Planning Working Group in Rome on 23rd and 24th September and also during his visit to the United States from 15th to 20th November, the Secretary General continued his talks with the Government Authorities of NATO countries on the problems of the Alliance.

30. Mr. James A. Roberts, the Deputy Secretary General, attended and addressed a meeting of the Science Committee held in Lisbon from 11th to 14th October. He also visited Brussels twice, on 29th November and on 13th December, to acquaint himself personally with the various problems arising out of the transfer of the NATO Headquarters to Belgium.

(b) Participation in the work of other organizations

31. The Secretary General spoke at the Twelfth Annual Assembly of the Atlantic Treaty Association in Munich on 19th September.

32. On 14th November, he addressed the NATO Parliamentarians who were gathered at the NATO Headquarters in Paris for their Twelfth Annual Conference.

(c) Visits to NATO

33. In addition to a large number of journalists and of Government and Parliamentary figures, the Secretary General also received at NATO Headquarters on 7th November a group from the Johns Hopkins University, Bologna.

34. Mr. Roberts gave a briefing to the Norwegian Defence College in the course of its visit to NATO, on 21st December.

(d) Addresses delivered by the Secretary General

35. Closing lecture of the 29th NATO Defence College course in Paris on 21st July.

36. Lecture to the Netherlands Defence Study Centre at The Hague, Netherlands, on 11th October.

37. Lecture to the "Conférence du Jeune Barreau" (Conference of Young Lawyers) in Brussels on 21st October.

38. Lecture to the National Press Club in Washington on 18th November.

(e) Official ceremonies

39. The Secretary General took part in the ceremony marking the French national day on 14th July, and in the remembrance ceremony at the Arc de Triomphe on 11th November.

III. THE INTERNATIONAL STAFF(a) Establishment

40. At 31st December, 1966 there were 941 members of the Staff. The table at Annex I gives the breakdown of personnel by grade and by nationality at that date.

(b) Emoluments and conditions of employment(i) Emoluments

41. During this second half-year, the Co-ordinating Committee considered, in its 42nd Report (CCG(66)7, dated 12th July, 1966) the modifications to the Rent Allowance which were designed to adapt the current system so as to better the lot of staff with heavy family responsibilities and of those with the lowest emoluments. The Council approved these provisions with effect from 1st August, 1966.

(ii) Initial measures with a view to the establishment of NATO bodies in Belgium

42. Since the beginning of this half-year, steps have been taken to facilitate the relocation of the Headquarters outside France. These measures were designed to encourage the civilian staff of these bodies to leave France and follow the services in which they were employed to their new Headquarters. The major steps taken in this connection were the preparation of a new system of emoluments to apply in Belgium and of rules governing the contracts of staff transferred from France, and the relaxation of the regulations for withdrawals from the Provident Fund for housing purposes.

43. Account also had to be taken of staff who, for family or other reasons, felt unable to follow the NATO bodies. The Council has approved a text extending the provisions in this connection contained in the 33rd Report by the Co-ordinating Committee concerning the indemnity for loss of job to cover all staff members who continue to serve until the NATO bodies leave France and cannot immediately find a post comparable to that which they have previously held.

(iii) Conditions of employment

44. The Joint Consultative Committee whose task it is to provide a means of consultation between the NATO Administration and the staff on questions of common interest, held a meeting on 4th and 5th July, 1966, which was devoted primarily to certain amendments made to the Personnel Regulations.

IV. THE MILITARY ORGANIZATION - CHANGES IN APPOINTMENT

(a) Military Committee in Chiefs of Staff Session

45. On 1st July, 1966, General Heinz Trettner, German Army, replaced General Charles Ailleret, French Army, as President of the Military Committee in Chiefs of Staff Session.

46. In September 1966, General Ulrich de Maiziere, German Army, became President of the Military Committee in Chiefs of Staff Session upon the retirement of General Trettner.

47. On 16th July, 1966, General Jean V. Allard, Canadian Army, replaced Air Chief Marshal Frank R. Miller, Royal Canadian Air Force, as the Canadian Representative to the Military Committee in Chiefs of Staff Session.

48. On 4th November, 1966, the Defence Planning Committee approved the extension of Lieutenant General Baron Charles P. de Cumont, Belgian Army, for a further year as Chairman of the Military Committee in Chiefs of Staff Session and Permanent Session.

(b) Military Committee in Permanent Session

49. On 1st July, 1966, Lieutenant General Charles Feuvrier, French Air Force, replaced General Jean J.R. Houssay, French Army, as the French Representative to the Military Committee in Permanent Session. On 1st October, 1966, Lieutenant General Feuvrier, on the withdrawal of French Representation to the Military Committee, assumed the post of Head of the French Liaison Mission to the Military Committee in Permanent Session.

50. On 3rd August, 1966, Lieutenant General Henrique Costa dos Santos Paiva replaced Rear Admiral Jose Maria Mexia Salema as the Portuguese Representative to the Military Committee in Permanent Session.

51. On 20th August, 1966, Lieutenant General Ottavio di Casola, Italian Army, replaced Lieutenant General Nino Pasti, Italian Air Force, as the Italian Representative to the Military Committee in Permanent Session.

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52. On 12th September, 1966, Rear Admiral Stuart E. Paddon, CD, Royal Canadian Navy, replaced Rear Admiral Desmond W. Piers, Royal Canadian Navy, as the Canadian Representative to the Military Committee in Permanent Session.

53. On 20th September, 1966, Major General I.J.D. Schroder, Royal Danish Air Force, replaced Rear Admiral S.J. Valentiner, Royal Danish Navy, as the Danish Representative to the Military Committee in Permanent Session.

54. On 25th September, 1966, Lieutenant General Florent Van Rollegem, Belgian Air Force, replaced Major General Count A. Cornet de Peissant, Belgian Army, as the Belgian and Luxembourg Representative to the Military Committee in Permanent Session.

(c) NATO Commanders

55. On 1st July, 1966, General J.A. Graf von Kielmansegg, German Army, replaced General J.A.E. Crépin, French Army, as Commander-in-Chief, Allied Forces Central Europe.

56. On 1st July, 1966, Air Marshal Sir Denis F. Spotswood, Royal Air Force, replaced Lieutenant General F.J. Burniaux, Belgian Air Force, as Commander, Second Allied Tactical Air Force, Central Europe.

57. On 19th July, 1966, Vice Admiral J.O.C. Hayes, CB, OBE, Royal Navy, replaced Vice Admiral Sir George D.A. Gregory, KBE, CB, CSO, Royal Navy, as Commander, Nore Sub-Area Channel/Commander, Northern Sub-Area.

58. On 1st August, 1966, General M.A. Preston, United States Air Force, replaced General B.K. Holloway, United States Air Force, as Commander, Fourth Allied Tactical Air Force, Central Europe.

59. On 10th August, 1966, Rear Admiral J.O. Cobb, United States Navy, replaced Rear Admiral Dick H. Guinn, United States Navy, as Commander, Carrier Striking Force/Commander, Carrier Striking Group One.

60. On 22nd August, 1966, Vice Admiral Bernard A. Clarey, United States Navy, replaced Vice Admiral Kleber S. Masterson, United States Navy, as Commander, Striking Fleet Atlantic.

61. On 14th September, 1966, Commodore J.M. Townley, Royal Navy, replaced Commodore H.H.R. Dannreuther, Royal Navy, as Island Commander Bermuda.

62. On 30th September, 1966, Rear Admiral W.C.M. de Jonge van Ellemeet, Royal Netherlands Navy, replaced Vice Admiral L.E.H. Reeser, Royal Netherlands Navy, as Commander, Benelux Sub-Area Channel.

63. On 1st October, 1966, Captain A. Muusfeldt, Royal Danish Navy, replaced Captain J.B. Bonnek, Royal Danish Navy, as Island Commander Faeroes.

64. On 19th October, 1966, Rear Admiral H.P. Lanham, United States Navy, replaced Rear Admiral J.O. Cobb, United States Navy, as Commander, Carrier Striking Force/Commander, Carrier Striking Group One.

65. On 24th October, 1966, Major General J.B. Tipton, United States Air Force, replaced Major General C. Box, United States Air Force, as Commander, Sixth Allied Tactical Air Force, South-Eastern Europe.

66. On 24th October, 1966, Admiral N. Murzi, Italian Navy, replaced Admiral E. de Pelligrini, Italian Navy, as Commander, Central Mediterranean Area.

67. On 24th October, 1966, Major General G.A. Turcot, Canadian Army, replaced Major General The Honourable M. Fitzalan-Howard, British Army, as Commander, ACE Mobile Forces (LAND).

68. On 1st November, 1966, Lieutenant General J.S. Hardy, United States Air Force, replaced Lieutenant General B.J. Webster, United States Air Force, as Commander, Allied Air Forces Southern Europe.

69. On 19th November, 1966, Vice Admiral A.F. Schade, United States Navy, replaced Vice Admiral V.L. Lowrance, United States Navy, as Commander, Submarine Allied Command Atlantic/Commander, Submarine Force Western Atlantic Area.

70. On 29th November, 1966, Rear Admiral M.F. Fell, Royal Navy, replaced Rear Admiral T.W. Best, Royal Navy, as Commander, Gibraltar Mediterranean Command.

71. On 8th December, 1966, Rear Admiral Edwin S. Miller, United States Navy, was appointed Commander, Iberian Atlantic Area, the Iberian Atlantic Area Command having been established with Headquarters at Lisbon, Portugal, on that date.

## V. POLITICAL CO-OPERATION

### (a) Reports to Council on international contacts

72. An unusually great number of reports were made to the Council on international contacts.

73. On 13th July, 1966, the Council heard a report on the visit of President de Gaulle to the Soviet Union. On 20th July, the Canadian Delegation reported on the visit of a Soviet Parliamentary Delegation to Canada, led by Mr. D.S. Polyansky (26th June to 5th July); and on the same date Lord Chalfont,

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attending the Council to report on developments in the Eighteen-Nation Disarmament Committee at Geneva, informed the Council on his talks with the Foreign Minister of Poland, Mr. Rapacki, in Warsaw.

74. On 10th August, the Council reviewed various aspects of Rumania's position in Eastern Europe on the basis of a Turkish report on the visit of Rumanian Ministers to Turkey. This was followed, on 7th September, by a report on the visit of the Foreign Minister of Denmark, Mr. Haekkerup, to Hungary and a visit of the Rumanian Prime and Foreign Ministers to Denmark. In the course of both visits, a wide range of topics was discussed. On the same day, the Greek Permanent Representative made a statement on the visit of the Rumanian Prime and Foreign Ministers to Athens on 31st August to 2nd September.

75. On 14th September, the Council heard a German report regarding the visit of the German Minister of Economic Affairs to Rumania (4th to 7th September). On the same date, the Council was briefed on the visit of the Rumanian Foreign Minister to Rome, and that of the Foreign Minister of Italy, Mr. Fanfani, to Warsaw. The Council also heard a report by the Turkish Delegation on the visit of Bulgarian Foreign Minister, Mr. Bashev, to Turkey on 16th to 21st August.

76. On 21st September, the Council heard statements on the visit of the Foreign Minister of Belgium, Mr. Harmel, to Warsaw, and of the French Foreign Minister, Mr. Couve de Murville, to Czechoslovakia, Hungary and Yugoslavia.

77. On 29th September, the United States Permanent Representative made a statement on the discussions between Mr. Rusk and Mr. Gromyko of 22nd and 24th September. This was followed by a further United States statement on 12th October on the talks between Mr. Rusk and Mr. Gromyko of 10th October. On 12th October, the Council heard a German report on the visit of State Secretary Lahr to Bulgaria; and on 22nd October, the French Delegation reported on the visit of the Prime Minister of Bulgaria, Mr. Jivkov, to Paris.

78. All these reports were followed by an exchange of views.

(b) Disarmament and related issues

79. On 6th July, General Burns (Canada) made one of the usual reports to the Council on the meetings of the Geneva conference since their resumption on 14th June. The subjects he referred to included non-proliferation and the nuclear test ban; and his report was followed by an exchange of views. This was followed on 20th July by Lord Chalfont who in his report referred to the same subjects. Subsequently, on 24th August, it was Ambassador Cavaletti's turn to report to the Council on the Geneva discussions.

80. In September, the Council had decided to have a special discussion on the problem of non-proliferation. This meeting took place on 19th October, with the purpose of fully examining the issues connected with non-proliferation and their implications for the Alliance as a whole and its member countries individually.

81. On 21st September, the Chairman of the Committee of Political Advisers reported orally on the discussions which had taken place in the Committee's meeting with Disarmament Experts on 13th to 16th September.

(c) East-West relations

82. During the period under review, the Council devoted much time and thought to various aspects of East-West relations. On 13th July, Permanent Representatives had a prolonged exchange of views on the action implied by the Ministerial Meeting of Brussels in the field of East-West relations. This discussion took place on the basis of a document (PO/66/324) drawn up by the International Secretariat. The Council decided that a report to Ministers on this subject should be prepared.

83. On 27th July, the United Kingdom proposal for a Code of Behaviour was the subject of discussion. It was decided to refer the question to the Committee of Political Advisers; it was also agreed that a special Council discussion would take place on 14th September with a view to giving guidance to the Committee of Political Advisers for their forthcoming discussions on East-West relations. Subsequently, on 3rd November, the Council examined the report on East-West relations prepared by the Committee of Political Advisers in accordance with the directive of Ministers of June 1966. The Council continued this study in its meeting of 10th November and decided to refer the report back to the Committee of Political Advisers for further consideration.

84. In the same meeting, the Council discussed various aspects of a possible statement by Ministers, or a paragraph in the Ministerial Communiqué of December 1966, on East-West relations. They also had an exchange of views on the Italian proposal for an Atlantic Manifesto, as well as on the United Kingdom proposal for a Code of Behaviour. The Permanent Representatives decided that this matter be the subject of further studies in the Committee of Political Advisers; meanwhile, the Council discussion would continue. Accordingly, various aspects of East-West relations continued to be discussed in the Council meeting of 6th November and resulted, on 23rd November, in a decision that the report on East-West relations, prepared by the Committee of Political Advisers, should be submitted to Ministers. On 7th December, the Chairman of the Committee made a report to the Council on the Committee's discussion relative to the Italian proposal for an Atlantic Manifesto. On the same occasion, the Council decided that the discussion of the Committee of Political Advisers on a possible statement, or paragraph in the Ministerial Communiqué on East-West relations be concluded.

85. On 7th December, the Council took note of the report on restrictions on travel by Soviet Zone residents (C-M(66)133) which records a major modification in the operation by the Allied Travel Office in Berlin of the Temporary Travel Document system.

86. The proposed Civil Air Transport Agreement between the United States and the Soviet Union was the subject of consultation within the Council on a few occasions. The consultation on this subject was initiated by a United States statement on 21st September.

(d) Other areas

87. As in the previous period, the Council gave much time and attention to developments in Vietnam. On 27th July, the United States Representative made a statement updating the last report made by Secretary Rusk at the Brussels Meeting of Ministers. On 14th September, the Council heard a United States statement on the elections in South Vietnam which had taken place on 11th September. On 28th September, the United States Representative referred to certain statements made to the Foreign Minister of Belgium, Mr. Harmel, on the occasion of his visit to Warsaw. Finally, on 3rd November, Ambassador Averell Harriman attended the Council to make a full report on the Manila Conference of 24th and 25th October, and on the United States position and objectives in Vietnam. This report was followed by an exchange of views.

88. The Council heard on 21st September a United Kingdom statement on Rhodesia, followed on 7th December by a statement of the same Delegation on recent negotiations between the United Kingdom and the Rhodesian régime.

89. On 10th August, developments in the Congo were the subject of a statement of the Belgian Delegation and a subsequent discussion. On the same day, the Council reviewed the situation in Nigeria following a mutiny in the Nigerian Army on 28th July.

90. On 20th July, Ambassador Ellsworth Bunker, United States Representative to the Council of the Organization of American States, attended the Council and made a full report on various aspects of the crisis in the Dominican Republic. Consequently, he answered many questions of Permanent Representatives.

91. Finally, on 21st December, the Council reviewed the situation in the Middle East. This exchange of views took place at the suggestion of the United States Delegation.

(e) Other subjects of consultation

92. Following a brief discussion on 10th August, the Council on 9th September, in the presence of Ambassador Gunnar Seidenfaden (Denmark) and Mr. Giuseppe de Rege (Italy), had its usual discussion on various items of the Agenda of the forthcoming meeting of the



General Assembly of the United Nations. The topics discussed included membership in the United Nations and in its various bodies (admission of China), problems of disarmament and outer space, and the peaceful settlement of disputes.

(f) Atlantic Policy Advisory Group

93. The Atlantic Policy Advisory Group met in Denmark on 11th to 14th October, 1966. A report (C-M(66)142 and Corrigendum) was submitted to the Council by the Chairman of the Group on 11th January, 1967. The Group proposed that its next meeting be held in Greece in the Spring of 1967 and suggested as a possible theme for discussion "The Problem of Balance within the Atlantic Alliance in the 1970's". The Council noted the Chairman's report and approved the suggested theme of discussion for the Group's next meeting.

(g) The work of the Committee of Political Advisers

94. The Committee of Political Advisers continued to meet regularly.

95. The Committee devoted much time and attention to many aspects of East-West relations and developments in the Communist World. In July and again in September they reviewed the implications of the declaration which followed the meeting of the Warsaw Pact Consultative Committee at Bucharest in July 1966. On instruction of the Council, the Committee had a Special Meeting on East-West Relations from 21st to 24th September which 14 officials from 11 member countries attended. The discussions took place on the basis of several national contributions and the Committee prepared a report which was submitted to the Council (C-M(66)84). Subsequently, the Committee, again consequent upon the Council's instructions, discussed various revised versions; finally, a definitive version was drawn up with certain Annexes for submission to Ministers at their meeting in December 1966.

96. In November and in December, the Committee's discussions in the field of East-West relations centred on: (a) a proposed press release on East-West contacts; (b) the Italian proposal for an Atlantic Manifesto; and (c) a draft paragraph to be inserted in the final communiqué on the meeting of Ministers in December 1966.

97. Other aspects of East-West relations discussed in the Committee included a United Kingdom statement on conversations between Mr. George Thomson and the Polish Deputy Foreign Minister on 3rd November, during which special attention was paid to problems of European security.

98. The Committee reviewed developments in Yugoslavia following the dismissal of Vice President Rankovitch and heard, on 4th October, a report of the Italian Delegation on the visit of Mr. Brezhnev to Belgrade.

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99. On 29th June, the Committee started its discussion on possible modifications in the Temporary Travel Documents system for residents in the Soviet Zone of Germany. This discussion took place at the initiative of the Norwegian Delegation. It continued during July; and on 28th July the Committee accepted the outline of a new policy on the issuance of Temporary Travel Documents recommended by the Bonn Group.

100. In its meeting of 9th November, the Committee took note of a report prepared by the Bonn Group and approved its conclusions. This report (C-M(66)133) was noted by the Council on 7th December, 1966.

101. On various occasions, the Committee reviewed developments in the Far East. In July, they examined recent developments in Communist China. These discussions were continued in October and included a review of Soviet and Eastern European reactions to events in Communist China. The Committee heard statements from the United States Delegation on Communist China's recent nuclear explosions and examined press reports about the stationing of missiles by Communist China in Albania.

102. As regards Vietnam, the Committee, on 29th June, heard a United States statement on the war in that country which was followed by questions and discussion. On 11th October, Mr. Flott of the United States State Department answered questions on the same subject, which, on 6th December, was again referred to.

103. On 18th October, the Committee reviewed developments in Indonesia.

104. The Committee's meeting with Disarmament Experts took place on 13th to 16th September. The subjects discussed included the possibilities of further limitations on nuclear testing, arms control implications of the possible deployment of ABM systems, aspects of non-proliferation, and, finally, specific arms control measures relating to Europe. These discussions formed the subject of an oral report of the Committee's Chairman to the Council on 21st September.

105. The Committee also reviewed developments in Latin America. In July, they discussed the recognition of the new Argentinian Government and in October they had an exchange of information in which all delegations took part on the subject of a denuclearised zone in Latin America.

106. On 9th November, the Committee, in the context of the meeting of Marshal Tito, President Nasser and Prime Minister Mrs. Gandhi in New Delhi, examined and assessed the present influence of the non-aligned world.

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107. Other items discussed included:

- the Leipzig Fair. The Committee agreed to reaffirm the principles adopted in February 1963 and endorsed on subsequent occasions;
- certain Spanish Notes to NATO Governments on the subject of Gibraltar;
- the preparatory meeting of European Parliamentarians in Belgrade on 10th and 11th September, 1966.

108. Experts' reports on the Middle East, Far East, Soviet Policy, the Situation in Eastern Europe, Latin America, and Africa were prepared as usual for the December Ministerial Meeting.

VI. ECONOMIC CO-OPERATION

(a) Economic aspects of defence effort

(i) Defence aid to Greece and Turkey

109. The Atlantic Council in Ministerial Session on 15th and 16th December, 1966, examined the report(1) which was submitted by the Council in Permanent Session on the results achieved in respect of defence aid to Greece and Turkey. The Ministers adopted a new Resolution in which they recognised that Greece and Turkey continue to need defence aid from their allies in order to provide an effective contribution to the common defence without compromising their economic development. They therefore invited(2) the Council in Permanent Session to set up a programme of defence assistance to these two countries, with the participation of the greatest possible number of member countries, on a basis which would facilitate defence planning for the period 1966-1970. The Secretary General will provide any necessary help and co-ordination. The Council in Permanent Session will follow up the implementation of this new Resolution and, during the period it covers, will report to the Ministers each year, in December, on the results obtained.

(ii) Defence effort of member countries in relation to their economy

110. In compliance with the instructions it had received from the Council(3), the Committee of Economic Advisers submitted to the latter on 4th November, 1966, a study(4) on the defence effort of member countries in relation to their economy. Prepared on the

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(1) C-M(66)139(Revised)  
(2) C-M(66)144  
(3) C-R(66)13, Item III and C-R(66)23  
(4) C-M(66)99

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basis of information gathered by the International Secretariat(1), and of contributions received from various member countries(2), this report contains both statistical data and the comments which are indispensable to permit a correct appreciation of their significance. The Council noted this study, which will be used as a reference document(3).

(b) Economic relations with the Communist countries

(i) Problems relating to East-West trade

111. The Committee of Economic Advisers submitted to the Council its third report(4) on NATO countries' trade with Communist countries in which it gives an analysis of the development of trade during the period 1961-1965, and also attempts to cast some light on the outlook for the future. The Committee has also addressed to the Council a report(5) on exports of crude oil and petroleum products by the Soviet Union during the last few years and their likely pattern up to 1970. From this study it appears that Communist countries will probably continue to be the main buyers of Soviet oil; Western Europe does not seem to offer a particularly promising outlet, but it is forecast that markets in the Third World might grow substantially.

112. Within the framework of the reports on East-West trade which are prepared for the Committee, the International Secretariat has compiled data(6) on trade between member countries and Communist countries during the first half of 1966. In addition, the Committee of Economic Advisers, which pursues its study of Communist countries' balance of payments in convertible currencies, is currently examining two notes by the United States Delegation, of which the first relates to the position of the Soviet balance of payments(7) and the second concerns the balance of payments of Communist China for the period 1950-1965(8).

113. In August 1966, the Committee of Economic Advisers received similar notes(9) from France and the Federal Republic of Germany proposing that the Council be invited to lift its embargo on sales of large diameter pipe to Soviet bloc countries. The

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- (1) AC/127-WP/178, AC/127-WP/183, AC/127-WP/187
  - (2) AC/127-WP/178/1, AC/127-WP/178/2(United Kingdom);  
AC/127-WP/178/3(Germany); AC/127-WP/184(Turkey);  
AC/127-WP/185(Netherlands); AC/127-WP/186(United States);  
AC/127-WP/191(Greece)
  - (3) C-R(66)61
  - (4) C-M(66)67
  - (5) C-M(66)76
  - (6) AC/127-D/224
  - (7) AC/127-WP/193
  - (8) AC/127-WP/198
  - (9) AC/127-D/220

Committee devoted several meetings to examining these requests in the light of additional notes from France(1) and Germany(2), as well as of a very comprehensive note from the United States(3); it was also briefed by a SACEUR Representative on the strategic aspects of the embargo. In the report(4) which it prepared for the Council, the Committee concluded that it was possible to accede to the French and German requests without damaging the strategic interests of the Alliance. Following this recommendation, the Council lifted its embargo on 10th November, 1966(5).

(ii) Problems relating to credit guarantees

114. The Committee of Economic Advisers submitted to the Council its fourteenth report(6) on credits granted by NATO countries to Communist countries, showing the situation as of 30th June, 1966. The report indicates that the growth rate of these credits, which had already increased slightly during the second half of 1965, accelerated substantially during the first half of 1966, owing, in particular, to a large increase in the amount of outstanding credits of over five years' duration.

(c) Economic developments in Communist countries

115. The Sub-Committee on Soviet Economic Policy prepared a short report(7) summarising a note from the French Delegation, and comments thereon from a number of member countries(8), on the development of the Soviet Merchant Fleet. After examining this report, the Committee of Economic Advisers forwarded it to the Council for its information(9)

116. The Sub-Committee, which by the middle of 1965 had completed its examination of economic developments in each of the Eastern European countries, began a second series of reviews in November 1966 with a meeting on Czechoslovakia(10). In the report which it forwarded to the Committee, and which was addressed by the latter to the Council(11), the Sub-Committee endeavoured to assess the economic situation of Czechoslovakia in 1965 and 1966, to review in the light of recent developments the prospects for the immediate future, and to draw some conclusions.

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- (1) AC/127-D/188
  - (2) AC/127-D/190
  - (3) AC/127-D/189
  - (4) C-M(66)98
  - (5) C-R(66)60
  - (6) C-M(66)141
  - (7) AC/127-D/219
  - (8) AC/89-WP/175 to AC/89-WP/175/4
  - (9) C-M(66)82
  - (10) AC/89-D/54
  - (11) C-M(67)1

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117. The Sub-Committee is currently studying economic developments in Communist China(1), the results of the 1966-1967 Soviet grain crop(2), petroleum production in the USSR(3) and the recent economic evolution of Eastern Europe. It will, in due course, report on the foregoing to the Committee of Economic Advisers.

(d) Long-term economic trends in NATO countries, in Communist countries and in the Third World

118. After examining a study(4) by the Sub-Committee on Soviet Economic Policy, giving a general picture of economic trends until 1975 in NATO countries, Communist countries and the Third World, the Committee submitted to the Council a summary(5) of the main findings of the Sub-Committee. As regards the industrialised countries, in view of the lead already taken by the West, the similarity in rates of growth is sufficient to maintain and even increase, in absolute terms, the Western superiority vis-à-vis the Communist countries. On the other hand, the gap between developed and developing countries is widening at an alarming rate in both East and West.

(e) Economic relations with Cuba

119. The Committee of Economic Advisers submitted to the Council its ninth report(6) on credits granted by NATO member countries to Cuba, showing the situation as at 30th June, 1966. The comparison with the situation at the end of the preceding six-month period shows a further contraction in the volume of outstanding credits. In addition the Committee has noted a study by the United States on the Cuban sugar crop in 1966(7) and the observations of the United Kingdom Authorities on this evaluation(8).

VII. SCIENTIFIC AND TECHNICAL CO-OPERATION

A. ACTIVITIES OF THE SCIENCE COMMITTEE

(a) Meetings

120. In response to an invitation of the Portuguese Government, the Science Committee held its second meeting away from NATO Headquarters at Lisbon(9) and Coimbra. In the light of the

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- (1) AC/89-WP/198 to AC/89-WP/198/5
  - (2) AC/89-WP/199, AC/89-WP/199/1, AC/89-WP/199/2
  - (3) AC/89-WP/183 to AC/89-WP/183/5
  - (4) AC/89-WP/193, AC/89-WP/193/1
  - (5) C-M(66)95 and Corrigenda
  - (6) C-M(66)131
  - (7) AC/127-WP/182
  - (8) AC/127-WP/182/1
  - (9) AC/137-R/26

excellent presentations given by Portugal, Greece and Turkey on national activities in scientific research and the efforts their respective countries are making in this field to bridge the gap between them and their technologically more developed allies, the Committee considered ways as to how the assistance which these countries enjoy from the NATO science programmes can be made still more effective.

121. The Committee, in private session, had an exchange of views on the report(1) of its Exploratory Group to Study Future Activities of the Committee. It welcomed, in particular, the proposal that long-term studies in narrowly defined scientific fields be conducted to predict the likeliest state of its development in order to ascertain the direction in which support would most be needed. Having heard a statement by the Deputy Secretary General on further plans for reorganization, the Committee asked the Group to amend its report in the light of recent information.

122. The general impact of the meeting was reflected by the fact that invitations were extended by the highest Portuguese Authorities and its reportage in the local press; splendid social events were organized in honour of the Committee. At the University of Coimbra an honorary doctorate was conferred upon the United States and French Representatives, Professor I.I. Rabi and Professor L. Néel, respectively.

(b) Science Fellowship Programme

123. A report(2) on the annual meeting of the National Administrators of the Science Fellowship Programme held in April in Paris was presented at the October meeting of the Science Committee(3). The contents of this report were detailed in the last six-monthly progress report(4). The statistical review of the 1964 programme was approved during this period(5).

124. Four proposals concerned with extended visits by highly qualified scientists to laboratories abroad were considered as meriting support through the new phase of the Visiting Professorship scheme. One was rejected, two were approved, and the fourth is still pending. The costs of the awards made are to be met partly from the administrative overheads of the Fellowship Programme, as agreed by the Science Committee in May(6) and subsequently approved by the Council(7), and partly from funds made available by the Minna-James-Heineman-Stiftung. Further details of these new activities have been reported(8).

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- (1) AC/137-D/291
  - (2) AC/137-D/285
  - (3) AC/137-R/26, Item III(a)
  - (4) C-M(66)88
  - (5) AC/137-D/271
  - (6) AC/137-R/25, Item III(a)(1)
  - (7) PO/66/332
  - (8) AC/137-D/297

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(c) Advanced Study Institute Programme

125. The majority of the Advanced Study Institutes, namely 43 from the total of 50 financed by means of the programme in 1966, were held or completed during the period covered by this report. Five of these Summer Schools were visited by members of the Science Committee, six were attended by other eminent scientists acting on the Committee's behalf, and members of the International Staff represented the Committee at 28 of the remainder. It is evident from knowledge of the activities gained by these visits and from other independent comment that this programme continues to represent an extremely good investment of the funds available to the Committee.

126. The Advisory Panel on the Advanced Study Institute Programme met twice in the latter half of 1966, on 25th July in Grenoble(1) and on 19th December at the Paris Headquarters(2). Decisions on a total of 76 applications for financial support from NATO to organize further meetings in 1967 which had been received by the closing date of 1st December, 1966, were taken at these meetings, or by means of correspondence during the intervening period. As a result 52 Advanced Study Institutes are to be held in 1967, a figure which includes five deferred from previous years. Once again, all the NATO countries except Iceland and Luxembourg will act as hosts for these courses.

127. Following the decision of the Science Committee to approve an increase in the size of the Advisory Panel on the Advanced Study Institute Programme from three to five members(3) nominations to fill the vacancies thus created on the Panel were considered by the existing members at both the July and December meetings. At the earlier meeting, the Advisory Panel recommended that Professor G. Sartori of Rome University be appointed, and this was approved by the Science Committee during its October meeting(4). At the December Panel meeting Professor F. Vasco Costa of Lisbon was suggested as fifth member, an appointment which awaits confirmation by the Committee.

(d) Research Grants Programme

128. The Advisory Panel on the Research Grants Programme, meeting on 21st October(5) at the Paris Headquarters, was faced with the problem of satisfying with an amount of funds which remains static a continuously increasing number of eligible applications. The Panel maintained the policy observed during the

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- (1) AC/137-D/288
  - (2) AC/137-D/303
  - (3) AC/137-R/25, Item III(b)
  - (4) AC/137-R/26, Item III(b)
  - (5) AC/137-D/296



last few years not to decrease the average amount of a grant and not to fritter away the available funds on a large number of small projects. 47 applications for financial support were reviewed; of these 21 were approved, 14 rejected and 12 deferred for further discussions. The awards allocated amounted to \$209,700, which exceeds the amount available to the programme this year. Consequently, part of the grants will be covered by the 1967 budget of the programme. The Advisory Panel confirmed five decisions taken by correspondence in advance of the meeting. These grants total \$67,500.

129. The Advisory Panel took note of the decision of the Science Committee to include projects in behavioural sciences in the Research Grants Programme(1) and decided that the Advisory Group on Human Factors should screen applications in this field before they were presented as a research grant application. The procedure is analogous to existing procedures in other fields where Sub-Committees or Advisory Groups exist, i.e. oceanography, meteorology, and radiometeorology.

(e) Oceanography

130. The Sub-Committee on Oceanographic Research met at the NATO Headquarters in Paris on 7th and 8th November, 1966, under the Chairmanship of Professor A. Capart. The extension of current projects as well as new proposals were examined and the Sub-Committee recommends to the Advisory Panel on the Research Grants Programme that 14 projects in oceanography be financed in 1967 fully or in part with a total amount of \$188,120. Eight projects already in progress are recommended for continuation and six proposals for new projects are supported by the Sub-Committee.

131. During 1966, five projects were concluded. They have all resulted in Technical Reports already published or about to appear in the forthcoming months.

(f) Meteorology

132. The Advisory Group on Meteorology met in Rome on 16th December, 1966. The items discussed were:

- progress report of the Research Associateships and Visiting Lectureships in meteorology schemes and follow-up of such schemes in 1967;
- preparation of an Advanced Study Institute on radar meteorology;

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(1) AC/137-R/25, Item VII

- research projects on convection phenomena and thunderstorms over the Alps, ozone sounding on synoptic scale, mechanical data processing from log books of vessels;
- liaison with other NATO Groups reporting to the NATO Armaments Groups.

133. The Chairman of the Group of Experts on Meteorological Measuring Techniques and Equipment, and the Sub-Group on Ballistic Meteorology, who attended the meeting, suggested some subjects of common interest to those Groups and to the Advisory Group on Meteorology, and agreement was reached on the possible use of military meteorological units.

134. In accordance with the rotation principle, Professor Eliassen (Copenhagen) has taken the place of Professor Eliassen, and Dr. Sawyer (Bracknell, United Kingdom) that of Dr. Sutcliffe.

(g) Radiometeorology

135. The Advisory Panel on Radiometeorology met in Athens on 7th and 8th December, 1966. The discussion concerned:

- progress report on research on radio propagation between Italy and Greece. A Group of Experts (Professors Brocks, Lane and Misme) visited installations in Brindisi, Corfu and Crete in connection with this;
- progress report on joint German, Danish and Norwegian research on propagation over the North Sea;
- report on the Advanced Study Institute held in Lindau (Germany) on turbulence of the atmosphere studied by electrical methods;
- organization of an Advanced Study Institute, already approved by the Advisory Panel on the Advanced Study Institutes, on the structure of the lower atmosphere and electromagnetic wave propagation to be held in Aberystwyth (Wales) at the end of September 1967;
- research of a 1,000 km. link between Norway and England.

136. Professor Ataman (Istanbul) resigned from membership of the Panel. Professor Brocks replaced Dr. Misme as Chairman and Dr. Lane was appointed Deputy Chairman.

(h) Human factors

137. The Advisory Group on Human Factors held its 14th meeting(1) in Paris on 26th and 27th September, 1966. The Group discussed the details of its programme for 1967 and 1968. These are the first years in which a budget has been provided by the Science Committee for the encouragement of Behavioural Science activities in the NATO countries (see "A NATO Programme in the Behavioural Sciences"(2)(3)). The Council approved this programme on 20th July, 1966(4).

138. The Behavioural Science Programme at present consists of exchanges of information and the provision of advanced instruction. In order to assist the exchange of information the Advisory Group is holding a series of conferences and symposia. The meeting decided that in 1967 it would organize a conference in London on military manpower research, and a symposium in Paris on the simulation of human behaviour. The Group also discussed plans for the conferences and symposia which it is proposed will take place in 1968.

139. As part of its programme for the provision of advanced instruction, the Advisory Group laid down a procedure for the advertising and organization of study visits and visiting lectureships. Notices concerning these activities have subsequently been sent by the Scientific Affairs Division to many universities and research institutions in psychology in the countries of the Alliance. Finally, the Advisory Group decided that it would encourage research workers to submit applications to hold Advanced Study Institutes in the Behavioural Sciences area.

(i) Operational research

140. The Advisory Panel on Operational Research met in September(5), and received a report on the conferences which had been organized under its aegis in 1966:

- the design and analysis of field experiments - Rome;
- the operational evaluation of ASW weapon systems - NATO Headquarters, Paris;
- the analysis of systems of military transportation - Oxford;

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(1) AC/137-D/294  
(2) AC/137-D/279  
(3) C-M(66)64  
(4) C-R(66)35, Item VII  
(5) AC/137-D/293

- operational research in the strategic duel - The Hague;
- the application of operational research to military planning and resource allocation - NATO Headquarters, Paris.

141. Ten Graduate Apprenticeships in Operational Research were awarded in 1966.

142. The Science Committee, at its meeting in October(1) accepted the recommendation of the Advisory Panel that a consultant should visit Ankara to discuss with the Turkish National Research Council the problems facing its operational research group. It is expected that the consultant's report to the Advisory Panel will be available early in February 1967.

(j) NATO Lectureship Programme

143. A second candidate, Professor J. Brossel of the University of Paris, accepted an informal offer of an award through this scheme(2), with certain proposed modifications of the original concept. These were discussed by the members of the Science Committee during their October meeting(3) and negotiations are still in progress to find an agreed formula for the form Professor Brossel's lecture tour might take.

(k) Financing of Scientific Programmes

144. As mentioned in the preceding report, the 1966 budget for the scientific programmes reached, for the first time, \$4,200,000 allocated as follows(4):

- NATO Science Fellowship Programme	\$2,600,000
- Research Grants Programme	\$ 750,000
- Advanced Study Institute Programme	\$ 730,000
- Operational Research Programme	\$ 120,000

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- (1) AC/137-R/26  
 (2) C-M(65)67, G-R(65)37, Item V  
 (3) AC/137-R/26  
 (4) BC-D(65)43 and ISM(66)4

145. The recommendation of the Science Committee(1) for an increase of \$200,000 for the 1967 budget was not unanimously accepted by the Civil Budget Committee; the budget therefore remains at the present level of 4.2 million dollars, distributed as follows(2):

- NATO Science Fellowship Programme	\$2,600,000
- Research Grants Programme	\$ 745,000
- Advanced Study Institute Programme	\$ 730,000
- Operational Research Programme	\$ 100,000
- Human Factors Programme	\$ 25,000

146. Aside from the scientific programmes and on the basis of a recommendation by the Committee of Defence Research Directors(3) that a credit of \$10,000 be allocated to cover the operating expenses of the Committee responsible for Defence Research, the Civil Budget Committee has approved funds for 1967(4) for this purpose, to be administered from three budgetary headings but of which the total is equivalent to that proposed.

B. ACTIVITIES OF THE COMMITTEE OF DEFENCE RESEARCH DIRECTORS

(a) Meetings, generalities

147. As, in implementation of the new procedures of co-operation in research development and production(5), the Committee is to be disbanded, it devoted its last meeting(6), held on 3rd and 4th October at the Permanent Headquarters, mainly in laying down its testament for its successor body, the Defence Research Group. To this end it considered the report(7) of its Working Party of Four which, under the Chairmanship of Sir William Cook, had given some thought to the definition of the field of defence research, to the organization of the Defence Research Group and to the staffing problem. Without wishing to prejudge the organizational form which the Defence Research Group wishes to take, the Committee approved the concept contained in the report and considered that the transfer of duties to the Defence Research Group should take place on 1st January, 1967. The International Staff at present available could provide adequate support for the Defence Research Group for the time being; this point, however, would probably require reconsideration as the Group's work develops.

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(1) AC/137-R/25  
(2) AC/137-R/26  
(3) AC/243-D/27, AC/243(SSC)R/4  
(4) BC-R(66)6, BC-R(66)7  
(5) C-M(66)33(Revised)  
(6) AC/243-R/5  
(7) AC/243-D/26

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148. Reviewing the activities of the Committee, there was consensus that the Committee was highly successful as a forum for exchange of information and in forming permanent contacts between the allied Defence Research Directors. Although during its short lifetime the Committee had not achieved spectacular results in promoting collaboration on specific research projects, promising projects are still under consideration and it is hoped that the Defence Research Group will successfully continue the work started by the Committee.

149. At the meeting a presentation on Principle and Development of Area Fire Weapons was given by the German Representative.

(b) Long-Term Scientific Studies

(i) First round

150. The status of the four studies constituting the first round of updating the Von Karman Long-Term Scientific Studies, undertaken by the Committee of Defence Research Directors at the suggestion of the Military Committee, is as follows:

(1) Weapons

The Weapons Study, directed by Germany and the United States, and previously approved by the Committee of Defence Research Directors, was reissued in final format(1).

(2) Reconnaissance and Detection(2)

(3) Telecommunications(3)

(4) Anti-Submarine Warfare(4)

The latter three studies, directed by Canada, France and the United Kingdom respectively, were approved by the Committee of Defence Research Directors at the meeting of 3rd and 4th October, 1966, and are being finalised.

151. In accordance with the suggestion of the Long-Term Study Group, a draft report(5) was prepared, informing the Council that the first task performed for the Military Committee by the Committee of Defence Research Directors is now completed. This report was approved by the Committee of Defence Research Directors at the meeting of 3rd and 4th October, with slight modification to reflect Military Committee comments.

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- (1) AC/243-D/24(2nd edition)  
(2) AC/243-D/31  
(3) AC/243-D/30  
(4) AC/243-D/32  
(5) AC/243-WP/17 (later became C-M(66)132)

152. (ii) Second round

(1) Mobility

A working paper on Land Based Mobility, prepared by the United Kingdom Project Director, Mr. Uffelmann, will be circulated for comments at the beginning of 1967. The multinational Study Exercise is scheduled to take place at AFSOUTH, Naples, from 8th to 20th May, 1967.

(2) Navigation

A working paper on Navigation is being prepared by the French Project Director, Mr. Carpentier, for distribution during February 1967. Dr. Kershner, United States, is preparing a complementary paper on naval aspects of navigation. The multinational Study Exercise on this subject is planned for AFNORTH, Oslo, on 12th to 23rd June, 1967.

(iii) Long-Term Study Group

153. The Long-Term Study Group met at NATO Headquarters on 24th November, 1966(1). After reviewing work in progress, the Group discussed possible topics for the third round of updating studies, which should be ready for starting preparation of working papers by June 1967. Preliminary agreement was reached on the following two subjects:

(1) Influence of the environment on the performance of military tasks, proposed by the United Kingdom.

(2) Anti-submarine warfare problems in shallow waters.

This would be supplementary to the earlier anti-submarine warfare study, since shallow water problems were not within its scope. The Group suggested that this might be an appropriate topic to be directed by countries other than those represented on the Long-Term Study Group.

As a back-up topic, bionics was agreed to be of interest, and France volunteered to study this further.

154. The Long-Term Study Group agreed to the desirability of maintaining liaison where appropriate with other NATO bodies with long-term scientific interests, such as the Defence Planning Working Group and the Civil Defence Committee.

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(1) AC/243-D/33

155. In connection with the meeting the French Government organized visits to laboratories and establishments of particular interest to the Group; the information given at these visits was highly appreciated.

(c) Study of NBMR procedure

156. The new organization proposed by the Exploratory Group AC/253 and approved by the Council(1) was established as from 30th September, 1966(2), with the exception of the Defence Research Group. However, although there is a particular staffing problem involved in the introduction of this new Group, it was decided that it should be set up as from 1st January, 1967(3)

157. A memorandum has been circulated to the delegations requesting the name of their representatives on the new Group.

(d) Ground attack aircraft

158. The Committee of Defence Research Directors is kept informed of the studies of Sub-Group 3, working under the aegis of the Air Force Advisory Group (now the Air Force Armaments Group). The latter decided to keep the SG/3 active with revised Terms of Reference, and to set up a Sub-Group 4 for the study of the V/STOL formula.

(e) Land based air defence (ex tactical air defence)

159. The Group of Experts changed its name so as to better define its tasks. It studies the problems of air defence of ground forces by covering both the operational and the technical aspects. The Group's work would lead to recommendations emphasising specific research areas. Its final report will be completed by March 1967.

(f) Military operational research

160. A symposium took place in September at NATO Headquarters, Paris, on The Application of Operational Research to Military Planning and Resource Allocation.

(g) Communication satellites

161. NATO is very active in connection with this subject which has now passed the stage of research and reached that of development.

162. The Committee of Defence Research Directors was informed of the progress of the SATCOM Working Group of AMCEC.

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(1) C-M(66)33(Revised)

(2) PO/66/351

(3) PO/66/542



163. The Committee of Defence Research Directors noted that the prospects for the immediate future indicated by the Long-Term Scientific Studies Report on Telecommunications were being realised; for instance, the implementation of the United States initial defence communication satellite project, in which NATO was invited to participate, as well as the expansion of the commercial communications satellite system and the preparation for the use of satellites in tactical communications.

C. GENERAL ACTIVITIES OF THE SCIENTIFIC AFFAIRS DIVISION

(a) Technical features of War Headquarters

164. Summing up the findings of its last meeting(1), the Ad Hoc Group of Experts submitted a report to the Council(2) stating its views on the new military policy for major Wartime Headquarters(3). The Council(4), considering simultaneously the military policy(3) and the Group's report(2) on 25th July, 1966, on the one hand approved the broad concept of the policy with the proviso that its implementation should be justified on a case-by-case basis during the budgetary control stages and that in implementing the concept, account should be taken of the views of the Ad Hoc Group, and, on the other hand, noted the report by the Ad Hoc Group and agreed to transmit it to the Military Authorities for consideration.

165. The next meeting of the Group will be mainly restricted to the definition of new Terms of Reference in order to clarify its mandate in the present situation.

(b) Von Karman Institute

166. The Ad Hoc Working Group on the Financing of the Von Karman Institute met on 25th July, 1966(5), and on 30th September, 1966(6) to complete its study of the long-term financial arrangements of the Von Karman Institute, as previously requested by the Council. In addition to approval of the Institute's budget estimates for 1966-1967, the principal result was agreement, subject to confirmation by several nations, on a new cost-sharing formula proposed by Belgium(7). Whereas the previous formula was based on the number of students for which certain NATO countries, but not all, agreed to pay a given amount, the new formula was based on percentages shared by all the NATO nations.

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- (1) AC/158-R/13
  - (2) C-M(66)54
  - (3) MCM-44-66
  - (4) C-R(66)32, Item V
  - (5) AC/168-R/13
  - (6) AC/168-R/14 and Corrigendum
  - (7) AC/168-D/13

167. Since the Council had guaranteed the financing of the Institute until September 1968(1), the Ad Hoc Working Group decided, for the time being, to apply the new cost-sharing formula to the academic years 1966-1967 and 1967-1968. The Working Group furthermore took note of the fact that the Research Grants Panel of the Science Committee had allocated a research grant of \$45,000 to the Von Karman Institute for the year 1966-1967 for a high enthalpy research project.

168. The Science Committee, at its meeting of 12th October, 1966(2), took note of the fact that for the first time in the history of the Von Karman Institute, all NATO nations had agreed, in principle, to participate in its support.

169. The Acting Assistant Secretary General for Scientific Affairs and his Special Adviser attended the meeting of the Institute's Board of Directors on 3rd December, 1966, and gave addresses at the ceremony following held on the occasion of the 10th Anniversary of the Institute when a plaque in honour of its founder, Dr. Theodor Von Karman, was inaugurated.

(c) SACLANT Anti-Submarine Warfare Centre

170. At its meeting of 25th and 26th October, 1966, the Scientific Committee of National Representatives discussed the question put forward to the NATO Council by the United States Permanent Representative concerning the preparation of a five-year plan for the scientific programme of the Centre, accompanied by corresponding budgetary estimates. The Director of the Centre having stated that the preparation of such a long-term programme seemed both feasible and advisable, the Scientific Committee of National Representatives concurred with this proposal and advised SACLANT accordingly, stressing the interest of having long-term planning for the Centre.

(d) SHAPE Technical Centre

171. The Scientific Committee of National Representatives, when considering the same United States proposal as that made with respect to SACLANT Anti-Submarine Warfare Centre, namely that the programme and budget be established on a five-year basis, could not reach unanimous agreement. At the Committee's meeting on 9th and 10th November some representatives were of the opinion that a five-year period was too long and that it should be reduced to two or three years. Furthermore, the SACEUR Representative pointed out that the studies requested by SACEUR should normally be terminated in a period less than three years.

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(1) C-M(65)31  
(2) AC/137-R/26

(e) AGARD - Advisory Group for Aerospace Research and Development

172. The Scientific Affairs Division has maintained close contact with AGARD. A staff member attended the 21st meeting of the National Delegates Board at The Hague on 2nd September.

173. Discussions on the future position of AGARD in relation to the new Defence Research Group were held within the Committee of Defence Research Directors(1) and it was recommended that AGARD should maintain its present structure and position. It will, however, be expected to handle problems in the aerospace, missile and other fields of interest to the Defence Research Group.

174. In connection with the reorganization of defence science in NATO, the Military Committee, following a resolution of AGARD'S Board of National Delegates, suggests the establishment of a Committee - including Representatives of the Military Committee, the Defence Research Group, the Science Committee, and other NATO agencies - to assist in outlining the objectives towards which AGARD should work in the future(2).

175. At the last meeting of the Committee of Defence Research Directors(1), the Director of AGARD presented a report on Hypersonic Aircraft. The Science Committee will hold an Advanced Study Institute on Basic Refractory Materials following discussion of an AGARD proposal for a grant for international co-operative research on this topic(3).

176. In the course of their duties the Acting Assistant Secretary General for Scientific Affairs and the Director of AGARD meet frequently to discuss problems of mutual interest.

VIII. ACTIVITIES IN THE FIELDS OF CULTURE AND INFORMATION

(a) Cultural co-operation

(i) NATO Fellowship Programme

177. 36 Research Fellows were working during the second half of 1966. Among them, Mr. R. Rhodes James' (United Kingdom) study of "The Standardization of Weapons and Ancillary Equipment in NATO Forces" has been approved for publication. In addition, Mr. B. Eriksen's (Norway) examination of "The NATO Committee System" will be published in English by the University of Oslo, and Dr. E.A. Norman's (United Kingdom) book on "The Conscience of the State in North America" will be published during 1967 in Great Britain and in the United States by the Cambridge University Press. In both cases the Sijthoff Publishing Company, with whom NATO has a contract, has agreed to this course.

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(1) AC/243-R/5  
(2) MCM-137-66  
(3) AC/137-R/26

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(ii) Visiting Professorships Programme

178. Six appointments were fixed: one German and one Englishman to lecture in the United States, one German in Canada, one Canadian in Belgium, one American in Italy and another in Norway. The subjects of the lectures will comprise Political Science, Architecture, Law and Modern History.

(b) Information activities

179. The Director of Information addressed the Committee on Education, Cultural Affairs and Information of the NATO Parliamentarians' Conference, the Annual Conference of the Atlantic Treaty Association in Munich; he attended the International Education Conference in Lisbon, and a Brains Trust on European and Atlantic Co-operation in the House of Commons, London, organized by the European Atlantic Group; he represented the Secretary General at the Congress on NATO Defence Policy held in Thessaloniki, Greece; and he attended the board meeting of International Movement for Atlantic Unity.

(i) Ministerial Meeting

180.. The December Ministerial Meeting attracted exceptional interest. Reporters and commentators from 19 countries representing 26 networks recorded and transmitted 125 hours of broadcast material from NATO studios. Special programmes were broadcast from NATO Headquarters by ZDF, BBC, and ORTF. Electronic cameras operating throughout the conference were used for direct line transmissions by RAI, RTB (Flemish and French Services), ZDF, ARD, ORTF, BBC, DR, NRK, and daily summaries of the conference were circulated to EBU members by the Eurovision link.

181. An official still photographer covered the secure area. Daily requests for captioned sets of photographs were sent to some 20 agencies, magazines and newspapers. Immediate release of official material was also made through the principal press-wire services.

(ii) Media operations

- Films, Television and Radio Section

182. Three 35 mm. films were brought to final stages of completion - "Mobility", "AIRCENT", and "The NATO Briefing Film"; films on Greece and Iceland are in advanced stages of production. Theatrical distribution was achieved for "The Missile Story" in France and the French-speaking area, and for "Prospect of Turkey" in the United Kingdom; a shorter version of this latter film ("Par la Sublime Porte") has been adapted for French theatrical release.

183. 103 TV shorts were distributed for programmes on NATO. Representatives of television networks from six European countries, with an estimated audience of thirty million people, took part in a NATO - Department of Defense television tour of the United States.

184. The radio programme, "Report from NATO" was released fortnightly through 300 stations.

- NATO mobile information centres

185. In September, NMIC No. 1 began a tour of Danish schools. Although reactions were sometimes critical, in general they were appreciative, indicating a desire to learn about NATO.

186. NMIC No. 2 arrived in Italy for a school tour at the time of disastrous floods. The van and its camionette were put at the disposal of Italian Authorities to assist the emergency work in Florence of transporting and filming records of damaged antiquities, monuments, and other works of art.

- Publications Section

187. The 1965 edition of "NATO - Facts about the North Atlantic Treaty Organization" has had a wide distribution in English, French, German and Italian. The folders, "NATO at Work" and "NATO, Insurance for Peace" are still in circulation; the NATO Pocket Guide has been reprinted in English and German; Dutch, Turkish and Greek editions are in preparation.

- Photo Section

188. The Photo Section covered a large number of events; photos and picture stories have appeared in all NATO countries. Photos, through agencies, were released to all parts of the world.

- NATO Letter

189. Among interesting features in the NATO Letter were: "Portugal Builds Bridges to her Agricultural Future", "A Young Science - Fluid Dynamics", "NATO's Women in Uniform", as well as the full text of the Secretary General's speech to the NATO Parliamentarians' Conference in November.

190. A Norwegian quarterly edition, called "NATO Nytt" appeared for the first time in October with a circulation of 5,000.

(iii) Public affairs

- Cultural and community affairs

(a) Research Fellows and Visiting Professorships

191. Two manuscripts of NATO Research Fellows have been accepted for publication. Six Visiting Professors have been appointed during this period.

(b) Relations with the Atlantic Treaty Association

192. The Atlantic Treaty Association held an assembly in Munich in September. Mr. Paul-Henri Spaak was elected Chairman of the Atlantic Treaty Association.

- Youth and education

193. 13 conferences, seminars or weekend courses at the national level were organized under NATO auspices. Two international events were organized and study tours were organized in seven countries.

- Women's organizations

194. Women's Affairs Officer briefed a large number of individual visitors and women's groups from France, Germany, the Netherlands and Greece, as well as the SHAPE's Wives' Club and Commanding Officers of the NATO Armed Forces Women's Corps. She also addressed groups at two universities in the United States.

- Industrial relations

195. A group of Turkish Trade Unionists visited NATO Headquarters. A visit from the Greek Trade Unionists is being organized, and it is hoped that a Norwegian Trade Unionist Delegation may make a visit in early 1967.

- North American relations

196. On October North American Relations Officer visited the United States in connection with the NATO - Defense Department TV tour of the United States (reported under Television and Radio Section).

197. In November, he participated in briefings for "NATO Week" at the four bases of the First Canadian Air Division.

- Visits and lectures

198. In the second half of this year 104 groups totalling 3,585 visitors came to NATO. Speakers were provided from the NATO Information Service staff for lectures and briefings at universities, military schools and military establishments upon request.

- Regional activities

199. Officers of the Information Service have collaborated with national authorities and voluntary organizations in their countries to strengthen the NATO Information programme. This was specially true in Greece, Italy and Turkey, and of the NATO Regional Office in Iceland.

IX. DEFENCE

A. NATO DEFENCE PLANNING AND POLICY

(a) Extension of activities of the Defence Planning Committee

200. On 3rd November, 1966, the Council agreed that the Defence Planning Committee should extend its activity from the strictly military planning field to all integrated matters and to all subjects concerning NATO bodies in which France no longer participated(1).

(b) NATO force plans 1966-1970

201. A meeting of Defence Ministers was held in Paris on 25th July last. After considering the report(2) by the Defence Planning Working Group on the forces planned by countries for the period up to 1970, together with the views of the Military Committee on their military implications and associated risks(3), Ministers adopted as a minimum NATO force plan through 1970 (for member countries other than France, Greece and Turkey and without prejudice to the forces of the two latter countries) the force structure currently planned by countries. At the same time Ministers instructed the Defence Planning Committee, in consultation with the NATO Military Authorities, to submit specific proposals for a number of improvements in force structures between 1966 and 1970, in particular for improving capabilities to respond to defence emergencies on the flanks(4).

202. When Ministers met again in December, they considered a report on this latter question(5) and requested the Defence Planning Committee in Permanent Session, in consultation with the NATO Military Authorities, to study further the questions of improving the forces of Greece and Turkey (see section (c) below) and of providing external reinforcements to the flanks as an additional measure to increase their defence capabilities.

(c) Defence problems of the South-Eastern Region

203. At the July 1966 Ministerial Meeting, the Defence Ministers, recognising the vital importance of the defence of the South-Eastern Region, requested the Defence Planning Committee "to arrange for the early completion of outstanding work relating thereto in order that appropriate force planning decisions"

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- (1) C-R(66)58
  - (2) C-M(66)69
  - (3) MCM-150-65, MCM-81-66
  - (4) C-M(66)72, paragraphs 7 and 8
  - (5) DPC/D(66)33(Revised)

concerning Greece and Turkey "may be taken by the Council not later than December 1966"(1). In accordance with these instructions, during the second half of 1966 the Defence Planning Committee reviewed the force plans put forward by Greece and Turkey(2) for the period 1966-1970 and submitted reports to Ministers(3). At their December meeting Ministers noted the Greek and Turkish force plans and the additional aid deemed necessary by the two countries in order to implement their plans. They requested the Defence Planning Committee to pursue, in consultation with the NATO Military Authorities, the studies initiated in 1966 regarding possible improvements of the Greek and Turkish forces, taking into account the external aid that might be made available to these two countries by their allies and also the views of the Military Committee.

(d) Other force planning studies

204. In the Resolution on Defence Planning of 25th July, 1966(4), Ministers also gave directions for the continuation or initiation, by or under the aegis of the Defence Planning Committee, of a number of studies on a wide range of subjects designed to secure the best possible use of resources available for defence. The preliminary results of some of these studies were summarised in the draft Ministerial guidance to the Military Committee(5) prepared by the Defence Planning Working Group and referred to in sub-paragraph (f) below. Further instructions for the pursuit of such studies were given by Ministers when they met again in December 1966.

(e) Procedures for the NATO Defence Planning Review

205. Defence Ministers considered a progress report by the Annual Review Committee on procedures for the conduct of the NATO Defence Planning Review(6) when they met in July. In the light of this report, they adopted a number of initial measures including an invitation to the Defence Planning Committee to arrange for the submission of firm proposals for the conduct of the Review.

206. Following informal working discussions between representatives of member countries, the NATO Military Authorities, and the International Staff in September on detailed procedures for the Review, the Defence Planning Working Group devoted a number of meetings to consideration of a report to the Defence Planning Committee, which it finalised in early November. The Committee

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- (1) C-M(66)72, paragraph 15  
(2) DPC/D(66)4 (Greece) and (Turkey)(Revised)  
(3) DPC/D(66)34 - Greece, DPC/D(66)35 - Turkey  
(4) C-M(66)72  
(5) DPC/D(66)30(Revised)  
(6) C-M(66)70



agreed with the Working Group's proposals that each Review should comprise a certain number of stages, which would be implemented over a period of two years as set out in the report. Agreement was not, however, reached on whether successive two-year cycles should be initiated each year or biennially. On the recommendation of the Committee, Ministers, on 14th December, took note of the Working Group's report(1) and agreed that a Defence Planning Review cycle on the lines described therein should be initiated early in 1967 with a view to the adoption in December 1967 of NATO force goals and in December 1968 of a NATO force plan covering the five-year period 1969-1973. As regards the question whether the next following Review cycle should be initiated early in 1968 or early in 1969, they noted that a decision need not necessarily be taken before the second half of 1967. Finally, they stressed, as had the Defence Ministers in July, the importance of a review, in the light of experience, of the procedures adopted for the first cycle.

(f) Accelerated procedures for the development of a NATO force plan for the period 1968-1972

207. When they met in July, Defence Ministers recognised that, with the adoption of new procedures for NATO Defence Planning Reviews, a necessary first step would be to develop a NATO force plan for the period 1968-1972 (the plan which they concurrently adopted did not extend beyond 1970); to this end, they gave certain broad guidance to the NATO Military Authorities for the establishment of force proposals for this period(2). At the same time they invited the Military Committee to prepare an appreciation of the military situation as it will affect NATO through 1975 to form a basis for the development of force plans for the period 1969-1973(3). This broad Ministerial guidance was slightly elaborated by the Defence Planning Committee in September(4).

208. On 4th November, the Defence Planning Committee decided(5) that the NATO force plan for 1968-1972 should be developed under accelerated procedures which would enable it to reflect guidance given by Ministers on the basis of the Military Committee's appreciation. It also stated the aim that, at the Ministerial Meeting in December 1966, new guidance should be given to the Military Committee to assist it in preparing its appreciation. A first draft of such guidance was drawn up in a report(6) which the Defence Planning Committee was requested by Ministers, at their December meeting, to examine further, in the light of the Ministerial discussions and in consultation with the NATO Military Authorities, in order that Ministers might, in the Spring of 1967, be able to take a final decision on the guidance to be given to the Military Committee. In the meantime, the Military Committee was invited to continue its preparatory work directed towards the preparation of the appreciation, making use of the draft guidance as background in the light of Ministerial discussion.

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- (1) DPC/D(66)12(Revised)
  - (2) C-M(66)72, paragraph 10
  - (3) C-M(66)70, paragraph 14(d)(iv), C-M(66)72, paragraph 11(a)
  - (4) DPC/D(66)9, RDC/66/309
  - (5) DPC/D(66)13(Final)
  - (6) DPC/D(66)30(Revised)

(g) 1966 Annual Review

209. The 1966 Annual Review, which was carried out in accordance with simplified procedures approved by the Annual Review Committee in October, was the last in a series which began in 1952. In December, Ministers considered the Country Chapters(1) and the Secretary General's Summary Appraisal of the results of the Review(2) and adopted a Resolution(3) in which they noted that member governments had adopted as firm force commitments the country force plans for 1967 as recapitulated in the Summary Force Tables(4), and that in 1967 the defence efforts of member countries would be reviewed and firm force commitments for 1968 adopted, in accordance with the procedure for NATO Defence Planning Reviews.

210. Owing to the late arrival of the replies of a number of countries to the 1966 Annual Review Questionnaire, the NATO Military Authorities were not in a position to prepare their analysis of the military implications of this Review in time for consideration by Ministers. They will, however, forward their report to the Defence Planning Committee as soon as possible; Ministers agreed that the fact that it was not available for their consideration in December should not in any way be interpreted as a precedent for the future.

(h) ACE Mobile Force

211. The ACE Mobile Force (AMF) held a large-scale combined field training Exercise SUMMER EXPRESS/MARMARA EXPRESS in North-Eastern Greece and Turkish Thrace during the period from 31st August to 27th September, 1966. A major problem that for years had severely hampered proper planning and development of the AMF was settled, subject to confirmation by one delegation, in December through an agreement in principle on the common financing of AMF exercises(5)..

(j) United Kingdom exchange problems resulting from the stationing of British forces on the continent of Europe

212. Following a statement(6) on United Kingdom exchange problems resulting from the stationing of British forces on the continent of Europe and a later submission on the subject by the United Kingdom Delegation, the Council, on 29th August, 1966, invited the Annual Review Committee to study the British proposals relating to savings in the foreign exchange cost of British forces stationed on the Continent, and in particular to advise on the

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- (1) DPC/D(66)26
  - (2) DPC/D(66)28
  - (3) DPC/D(66)36(Final)
  - (4) DPC/D(66)27
  - (5) DPC/R(66)11
  - (6) C-R(66)41

measures which could provide such savings and to what extent these would affect the military capability of NATO(1). The Annual Review Committee, in consultation with the NATO Military Authorities, prepared a report(2) in two parts. The first part placed the measures envisaged by the United Kingdom in a legal and an economic context, while the second part set out their military consequences. This report was discussed by the Council on 5th October, 1966, and, together with the comments made by the NATO Military Authorities, met with general approval(3). The Council noted the various statements made at this meeting which responded to the United Kingdom's request for advice prior to talks with the Federal Republic of Germany.

(k) Trilateral talks (Germany-United Kingdom-United States)

213. In a communiqué issued on 27th September, 1966, following their meetings in Washington, the President of the United States and the Chancellor of the Federal Republic of Germany announced their agreement that a searching reappraisal should be undertaken of the threat to security and, taking into account changes in military technology and mobility, of the forces required to maintain adequate deterrence and defence. They stated the intention that this review should also address the questions of equitable sharing of defence and other comparable burdens, and of the impact of troop deployment and force levels on the balance of payments of the United States and United Kingdom; and should take into account the effect on the German economic and budgetary situation of measures designed to ameliorate balance of payments problems. They agreed to invite the United Kingdom to participate in conversations with the Federal Republic and the United States, and recognised that all the NATO allies would wish to participate in the consideration of these questions.

214. At a meeting on 4th November, 1966, the Defence Planning Committee(4) invited the Authorities of the Federal Republic, the United Kingdom and the United States to keep their NATO partners fully informed of their forthcoming discussions and to report on them as a contribution to the development of political guidance for the Military Committee(5). It also requested me to consult with these three Governments in order to ensure that their discussions made the earliest and fullest possible contribution to NATO defence planning procedures.

215. I have either attended or been represented at the trilateral discussions, and reports have been made to the Defence Planning Committee and the Defence Planning Working Group. In particular, on 12th December, 1966, I circulated(6) to members of the Defence Planning Committee a progress report by the three Governments.

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- (1) C-R(66)43  
(2) C-M(66)86  
(3) C-R(66)53  
(4) DPC/D(66)13(Final)  
(5) cf. section (e) above  
(6) PO/66/613

(1) French initiatives - follow-up from the Brussels Ministerial Meeting

216. In accordance with the agreement reached by Ministers at Brussels on 8th June on procedures for negotiations between the French Government and the other NATO allies(1), the Council devoted a number of special meetings to the issues raised by the French aide memoires of March 1966 and subsequent communications by the French Authorities. The Canadian and United States Authorities kept the Council informed of the bilateral discussions between their Governments and the French Government regarding their forces in France and the facilities previously afforded to them on French territory.

217. On the eve of the withdrawal of French forces from NATO command, the Council adopted a Resolution regarding the position on 1st July(2) in which they asked the NATO Military Authorities to take such appropriate steps to meet the situation as would enable them to discharge their responsibilities in the new circumstances.

(i) Relationship of French forces in Germany to NATO forces

218. The Council agreed on 26th October(3) that in order to make progress on the problem of the relationship of the French forces in Germany to NATO forces, and without commitment to either side, discussions should begin between General Lemnitzer, as Representative of France's 14 allies, and a Military Representative of the French Government. The two Military Representatives would report in due course to their respective principals on the military arrangements which appeared possible.

(ii) Relocation of NATO military bodies outside France

219. On 14th September, the Council adopted two resolutions accepting the offers of the Belgian and Italian Governments respectively of sites for the relocation of SHAPE at Casteau and of the NATO Defence College in Rome(4). On 12th October they similarly accepted the offer of the Netherlands Government of a site for AFCENT in the Brunssum/Maastricht area(5)

(iii) Changes in the organization and structure of certain NATO bodies

220. On 15th June, 1966(6), the Council adopted a Resolution(7) on follow-up action on the Council decisions at the Brussels Ministerial Meeting of 7th and 8th June. In this Resolution, the

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- (1) Reproduced in C-M(66)88, paragraph 5  
(2) C-M(66)63  
(3) C-VR(66)57  
(4) C-M(66)78, C-M(66)79(Final)  
(5) C-M(66)89(Final)  
(6) C-R(66)26  
(7) C-M(66)59

Council decided that the Standing Group should end its functions as from 1st July, 1966, and that its powers should be transferred to the Military Committee; in addition, all agencies and authorities previously subordinated to the Standing Group would be provisionally subordinated to the Military Committee. The Chairman of the Military Committee was invited to make arrangements for the discharge of the executive functions of the Committee using, at his discretion, the existing staffs, national and international, until such time as a new international integrated staff had been set up. Further, the Military Committee was asked to submit to the Council proposals for the organization of a new commonly-funded integrated international staff, for the reorganization of the Headquarters of AFCENT, for streamlining the Headquarters of the Major NATO Commanders and of the subordinate commands, and for any other organizational decisions the Council would have to take, as well as the changes required in the relevant documents to implement the decisions reflected in the Resolution.

221. In September, the Military Committee submitted its report on the overall organization of the integrated NATO forces(1) which was approved by the Defence Planning Committee on 10th November subject to reserves or confirmation by a number of delegations, and finally cleared in the Committee on 9th December. In November, the Military Committee forwarded a report on the organization of the integrated international military staff(2) which was noted by the Defence Planning Committee on 20th December.

222. The Council were informed by the French Permanent Representative on 14th September(3) that his Government was withdrawing its Representative from the Military Committee with effect from 1st October but would maintain a liaison mission with the Committee in Washington.

223. On 4th November, the Defence Planning Committee decided that the Military Committee should move from Washington to Brussels and accepted the offer of the Belgian Government to provide a site for it in Brussels(4).

224. As regards the streamlining of Headquarters, Ministers, on 14th December, heard a progress report from the Chairman of the Military Committee on the effects of the reorganization proposed for SHAPE and AFCENT.

(m) Relocation of Canadian Tactical Air Units and United States Reconnaissance Squadrons

225. At the Council meetings of 20th and 27th July respectively(5) Canada and the United States made statements regarding the transfer from France of air force units as a result

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- (1) MC 57/2
  - (2) MC 2/4
  - (3) C-VR(66)47
  - (4) Resolution DPC/D(66)14(Final)
  - (5) C-R(66)35, C-R(66)39

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of the French initiatives. While both moves implied a reduction in the air forces of these two countries to be maintained in the area of Allied Command Europe, it was agreed that they should be handled within the framework of the 1966 Annual Review rather than under the special procedures of C-M(55)82(Final).

(n) Reduction of National Military Service in the Netherlands Army

226. On 20th July, the Netherlands Representative reported that measures, including the introduction of more efficient selection and basic training of army personnel, were to be introduced by his Authorities in the Autumn of 1967, and would result in the reduction of conscript service by two months. The Council decided that it would be more appropriate for this matter to be dealt with in the context of the Annual Review rather than under the special procedures provided in C-M(55)82(Final). During the Annual Review, it was noted that the effect of this reduction would not be reflected in Netherlands planning before 1969.

(o) Revised Terms of Reference for the Allied Commander-in-Chief Channel (CINCHAN)

227. On 20th December, 1966, the Defence Planning Committee approved revised Terms of Reference for the Allied Commander-in-Chief Channel(1). This revision had been found necessary because of certain changes which had taken place within the Channel Command and elsewhere within the past two years. These changes included the co-ordination of CINCHAN and CINCEASTLANT, the withdrawal of the French forces, the abolition of the Standing Group, and the reorganization of the Channel Committee.

(p) Activation of IBERLANT Command

228. On 23rd November, the Defence Planning Committee approved the activation of the IBERLANT Command with Headquarters at Lisbon, provided that the Military Budget Committee could agree to the financing of its nucleus planning staff through the SACLANT budget. On 29th November, the Military Budget Committee reviewed the financial implications and found no objections to the principle of the financing proposed.

229. The Command will be activated early in 1967. As a measure of economy, it is being established as a principal subordinate command, with a correspondingly reduced staff.

(q) Nuclear questions

230. At a meeting in Paris on 26th July, 1966, the Special Committee of Defence Ministers discussed reports by its three Working Groups on data exchange, communications and nuclear planning. Completing its tasks, the Special Committee submitted

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(1) MC 34/4

two reports to the meeting of the Defence Planning Committee in Ministerial Session on 14th December, 1966. The Special Committee's recommendations(1) with regard to improvements in the exchange of information, intelligence, and other data, the establishment of a NATO-wide communications system, and further improvements in NATO's consultative machinery were referred to member governments and to myself for the preparation of specific proposals as necessary(2).

231. Responding to the Special Committee's suggestions for improving nuclear planning arrangements(3), Ministers established an open-ended permanent policy body, the Nuclear Defence Affairs Committee (NDAC), which will meet at Ministerial level, normally Defence Ministers, or at the level of Permanent Representatives, under the Chairmanship of the Secretary General, and propose general policy on the nuclear defence affairs of the Alliance. All member nations except France, Iceland and Luxembourg have indicated a desire to participate in this committee. For the detailed work required to elaborate the policy proposals, a Nuclear Planning Group (NPG) was created. The Group, which will be Chaired by the Secretary General, will consist of the Defence Ministers of seven countries. Members will be elected by the NDAC for terms of 18 months. National participation in military nuclear planning is expected to be increased as a consequence of the Military Committee's proposed new Terms of Reference. The Military Committee was requested to submit a report on how national participation in military nuclear planning can be further increased. At a first meeting at the level of Permanent Representatives on 19th December, 1966, the NDAC appointed Canada, Germany, Italy, the Netherlands, the United Kingdom and the United States as members of the first term of the NPG, with Greece and Turkey sharing the seventh membership. Subsequently these two countries agreed that Turkey should serve the first 9 months, and Greece the second. On 20th December, 1966, the NPG held its first procedural meeting at Ambassadorial level.

B. CO-OPERATION IN RESEARCH, DEVELOPMENT AND PRODUCTION

(a) General

232. In my last report I stated that the full implementation of the measures contained in the report of the Exploratory Working Group on NBMR Procedure (AC/253) would not take place until after further consultation between Permanent Representatives and myself. These consultations revealed that there was no reason for delay, and arrangements were therefore made for those measures which were not directly linked with any broader reorganization of the NATO structure to be introduced as follows, to take effect from 30th September, 1966:

- the setting up of the Conference of National Armaments Directors (AC/259), which will hold its first meeting in mid-February 1967;

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(1) DPC/D(66)32  
(2) DPC/R(66)11  
(3) DPC/D(66)39

- the transformation of the three Service Advisory Groups into Service Armaments Groups with new Terms of Reference;
- the dissolution of the Armaments Committee;
- to take effect from 1st January, 1967, the dissolution of the Committee of Defence Research Directors, and the creation of a Defence Research Group.

These four Groups are now the main bodies responsible for promoting co-operation in research, development and production of military equipment and have had allocated to their charge the greater part of the subsidiary bodies of the former Armaments Committee and Committee of Defence Research Directors, with a mandate to decide which of the activities of those bodies should be continued.

233. The NATO Naval and Army Armaments Groups have already met under their new Terms of Reference and each, with a slightly different approach, has initiated a review of the activities of the subsidiary bodies allocated to them. The former disbanded the majority of these and set up six new Information Exchange Groups covering the field of naval interest with a view to pursuing those activities which were still considered to be useful and gave rise to prospects for future co-operation. The latter, on the other hand, assigned all its subsidiary bodies to ten Panels which it created for the purpose of reviewing their activities and making recommendations as to those which should be maintained, transferred to other NATO bodies or simply discontinued. In addition, the NATO Army Armaments Group agreed that these former Armaments Committee subsidiaries for which it is now responsible should remain in existence and pursue their more important activities until the first meeting of the Panel to which they had been assigned, after which they would be disbanded. The NATO Air Force Armaments Group and the Defence Research Group have not yet met under their new Terms of Reference, so it will be sometime before the new procedures for co-operation become fully effective.

234. Nevertheless, there are already encouraging signs that the flexibility of these new procedures will facilitate the promotion of co-operative projects. First, the NATO Naval Armaments Group has set up two Project Groups, one on an Identification System for Submerged Submarines, sponsored by the United Kingdom, and the other on a Point Defence Surface Missile System sponsored by the United States. France, Germany, Italy and the Netherlands have expressed their interest in the former project, and France, Italy, Norway and Turkey in the latter. Secondly, during the meeting of the NATO Army Armaments Group, the United States Representative proposed the launching of a NATO co-operative project for the development of ground terminals for tactical satellite communications systems. Seven countries, Belgium, Canada, France, Germany, Italy, the Netherlands and the



United Kingdom expressed their interest in, and their intention of participating in this project, and an exploratory meeting has been arranged to take place in the United States early next year.

235. With regard to the existing production programmes, which are carried out under the responsibility of the appropriate NATO Steering or Co-ordinating Committees and the NATO Production and Logistics Organizations, steady progress continues to be maintained and the deliveries of the completed weapon systems are on schedule. One of these organizations, the NATO F.104-G STARFIGHTER Production Organization was liquidated on 30th November, 1966, and I would like to take this opportunity to commend the satisfactory completion of this co-ordinated production programme in view of its magnitude and successful outcome. Indeed, the joint production of 949 aircraft together with their associated spare parts and supporting ground equipment, is an achievement which is quite unprecedented in the field of co-operation. The main credit for this vast undertaking belongs to the European industries (supported by technical assistance from the United States and Canada) and to the Board of Directors who maintained continuous and firm control of the co-ordinated programme through the NATO STARFIGHTER Production Organization.

236. Detailed reports on the activities of the existing groups and their subsidiaries or those that were disbanded during the period under review will be found in the following paragraphs under the heading of Armaments Groups, or of the technical branch into which they fall, namely Aircraft, Electronics, Equipment and Ammunition, Missiles and Naval Equipment. The NATO Steering and Co-ordinating Committees, the NATO Production and Logistics Organizations, Codification of Equipment, Pipelines and connected activities are reported on individually in the paragraphs succeeding those on the technical branches.

(b) Armaments Groups

(i) NATO Naval Armaments Group

237. At its meeting at the end of November 1966 the NATO Naval Armaments Group (AC/141) initiated the action required of it under its new Terms of Reference. First, it disbanded all the Ad Hoc Mixed Working Groups and their subsidiary bodies which had previously worked in the field of naval interest under the former Armaments Committee on subjects such as close and medium range ship/air missiles for small ships (AC/179 and AC/180), a long-range shipborne anti-submarine weapons system (AC/181), data handling equipment for naval units (AC/182), identification of submarines (AC/235) and recoverable exercise mines (AC/236). It also disbanded Special Working Groups 3 and 4 of the former NATO Naval Advisory Group which dealt respectively with anti-submarine warfare helicopters and hydrofoils and hovercraft.

238. The activities of these former bodies were then reallocated to six new Information Exchange Groups which were set up to cover broad areas of naval interest such as Above Surface Warfare, Under Sea Warfare, Mines and Mine Countermeasures, Naval/Air Aspects, Tactical Control and Data Handling and Ship Design. In addition the Group was able to proceed to the first stage of the co-operative procedures approved by the Council in C-M(66)33(Revised) in that it set up the two Project Groups to which I referred earlier in this report.

239. However, certain bodies of both the former NATO Naval Advisory Group and the Armaments Committee were authorised to continue to work under their present Terms of Reference for the completion of certain specific tasks, after which they will be disbanded. These are the Special Working Group 5 on the Command and Control of Maritime Forces, which is working in co-operation with the SHAPE Technical Centre (STC) and the Group of Experts on the Production of the United States Mark 44 Torpedo (AG/167) which should terminate its work in July 1967.

240. Finally, the Group agreed that work should continue in conjunction with the SACLANT Anti-Submarine Warfare Research Centre (SACLANTCEN) on a Parametric Cost Effectiveness Study relating to the Long-Term Requirement for a Long-Range Shipborne Anti-Submarine Weapons System, and that the research activities involved in the solution to the problem of an identification system for submerged submarines should be passed to the new Defence Research Group.

(ii) NATO Air Force Armaments Group

241. In September 1966 the NATO Air Force Advisory Group held its last meeting under its former Terms of Reference and title prior to becoming the NATO Air Force Armaments Group (AG/224). At that meeting it considered a report on the results of the cost effectiveness studies undertaken by its Sub-Group 3 on some 160 possible configurations for a ground attack aircraft. Three preferred configurations had been selected for a short-range simple aircraft and two for a long-range more complex aircraft. However, there were many national reservations on these five designs, especially in relation to cost, take-off distances, choice of engines, and, in the case of the short-range aircraft, whether its configuration should be of the variable geometry or the fixed wing type. The Sub-Group was instructed to try to resolve these reservations and, in addition, to carry out a comparison between the performance of the long-range more complex strike aircraft and that of the all-weather high altitude interceptor which had been defined in June 1965 in the final report of the former Sub-Group 2.

242. Since Sub-Group 3 did not consider take-off distances of less than 1,500 feet in its study of ground attack aircraft, a new Sub-Group (Sub-Group 4) was set up to carry out cost effectiveness studies between the long-range strike aircraft selected by the Sub-Group 3 and an aircraft of similar performance which would have a vertical take-off landing capability (VTOL). This is now in progress.

(iii) NATO Army Armaments Group

243. The NATO Army Armaments Group (AC/225) held its first meeting under its new Terms of Reference in November 1966 when it decided, on the basis of a proposal made by the United States, to reallocate to ten new Panels the majority of the groups and subsidiary bodies of the former Armaments Committee which had been assigned to it in its Terms of Reference. The only exceptions were the Groups of Experts on Materials and Manufacturing Techniques for Weapons and Ammunition (AC/222) which was disbanded, and the Group of Experts on Far Infra Red (AC/194) which was transferred to the new Defence Research Group.

244. The areas of interest to be covered by these new Panels include transport support vehicles, combat vehicles, infantry weapons, surface-to-surface artillery, surface-based air defence weapons, combat surveillance and target acquisition, NBC defence, communications, engineer equipment and land forces air mobility. The Panels have been instructed to review the activities of the Armaments Committee Groups which have been allocated to them and report to the NATO Army Armaments Group by the end of March 1967. A further Panel has also been set up to discuss concepts, tactical doctrine and logistics, but no meeting has yet been arranged.

245. At the same meeting a presentation was made by the United States on airborne and shipborne terminals for satellite communications, which was complementary to that previously given on land terminals. Nations who wished to benefit from the increased capability which tactical satellite communications could provide for their national forces committed to the integrated defence of the North Atlantic Treaty area, and who were prepared to invest resources and technical facilities in a NATO co-operative programme, were invited, as I have said above, to attend a meeting in the United States early next year to discuss the details of their participation in such a project.

(c) Aircraft

(i) Helicopters

246. During the period under review the Group of Experts on Helicopters (AC/240) prepared a status report on its activities with a view to assisting the body now responsible for such activities, the Land Forces Air Mobility Panel (AC/225(Panel X)), to decide upon those which should be maintained and those which should be recommended for transfer to other NATO bodies such as the Military Agency for Standardisation (MAS) and the new Defence Research Group.

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(ii) Conversion of drawings and materials

247. The Group of Experts on the Conversion of Specifications and Dimensions of Drawings for United States Aircraft (AC/82) has continued with the revision and publication of the third edition of document AC/82-D/4, concerning European equivalents for metallic and non-metallic materials of American origin. The section on magnesium is at present being reprinted and various sections on non-metallic materials are being revised to take account both of new specifications and changes to existing ones.

(d) Electronics

(i) Counter fire locators

248. At its meeting in September 1966 the Ad Hoc Mixed Working Group on Counter Fire Locators (AC/178) approved operational characteristics for a second generation mortar locating radar and a meteorological system. Several countries expressed their interest in a United Kingdom proposal for the co-operative development of a cannon and a free flight rocket locating radar, and a Restricted Group was set up to consider the extent and form of interest expressed in this proposal.

(ii) Equipment for combat intelligence

249. The three Working Groups of the Ad Hoc Mixed Working Group on Equipment for Combat Intelligence (AC/183) have each met during the reporting period. Work is proceeding satisfactorily both on the Franco-German RATAC project and the Canadian-United Kingdom-German AN/USD 501 project. The testing and evaluation of short and very short-range radar equipment has been completed and a report has been forwarded to the Military Committee. Operational characteristics have been drafted for a further nine types of equipment and an outline of a combat intelligence system has been prepared.

(iii) Night vision

250. The Ad Hoc Mixed Working Group on Night Vision (AC/185) met in October 1966 and prepared a status report on the development of equipment under its responsibility and the possibilities of promoting co-operative projects. This report will be submitted to the Combat Surveillance and Target Acquisition Panel (AC/225(Panel VI)) which is now responsible for activities relating to night vision.

(iv) Identification of aircraft

251. During the period under review cost/effectiveness studies have been carried out in various countries on the IFF Mark XII System. The results of these studies and other problems, such as possible improvements to the Mark X System and identification of low-flying aircraft, were to be examined by the Ad Hoc Mixed Working Group on Identification of Aircraft (AC/218) at its next meeting in January 1967.

(v) Telecommunications

252. The Ad Hoc Mixed Working Group on Telecommunications Equipment (AC/220) has completed its work on the operational characteristics and technical parameters for the Telecommunications System for the Combat Zone for the 1970-1975 period, and a procedure has been agreed for carrying out interoperability tests on the various types of equipment. The Military Committee has been invited to establish a procedure for making this system as secure as possible.

253. Operational characteristics for six items of telecommunications equipment and technical specifications for three others have been approved during the period under review, and others are in the course of preparation. Some work has also been done towards the definition of a telecommunications system for the post-1975 period.

(vi) Electronic components

254. During the period under review the Working Groups and Restricted Groups of the Group of Experts on Electronic Parts (AC/67) have made significant progress in the standardisation of electronic parts and the specifications determining their performance. Five NATO Electronic Parts Recommendations (NEPRs) were circulated to and approved by nations, and others are in the course of preparation.

(vii) Electrical power sources

255. During the period under review the Group of Experts on Electrical Power Sources (AC/241) held a meeting and attended a demonstration at the Fort d'Issy of equipment and new devices which had been contributed for that purpose by France, Italy, the Netherlands and the United Kingdom. The exhibits included items of equipment such as fuel cells and components, the Sterling multi-fuel engine and various types of generating sets with special characteristics. The Special Working Group on Primary and Secondary Batteries has reviewed and updated its work on standardisation. The Special Working Group on Electrical Generator Sets has reached a certain measure of agreement on supply parameters and environmental conditions, and hopes to arrive at a compromise solution during 1967, both technically and from the point of view of cost, to the incompatibilities which exist between different groups of NATO nations with respect to the voltage and frequency of 50/60 Hz systems.

(e) Equipment and ammunition

(i) NBC Warfare

256. The Ad Hoc Mixed Working Group on Protection Against NBC Warfare (AC/196) has now completed its essential tasks on individual protection against chemical attack and has initiated the study on collective protection. Concepts and equipment

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specifications for the NBC protection of naval surface vessels are virtually complete and those for air forces are progressing satisfactorily. Work related to biological warfare continues to be hampered by the lack of reliable information on the biological threat.

(ii) Internal ballistics, propellants and explosives

257. The Group of Experts on Internal Ballistics, Propellants and Explosives (AC/60) finalised a basic study on the standardisation of gun ammunition and established procedures for the internal ballistic standardisation of a gun and ammunition system. General agreement has now been reached on pressure and velocity measurements and the ballistic properties of propellants for which the corresponding STANAGs will be issued in the near future. Studies on the establishment of procedures for NATO chemical stability tests, which had been under way for some years, have now been terminated and will be issued in the form of STANAGs.

(iii) External ballistics

258. The Group of Experts on External Ballistics (AC/117) has terminated its work on problems such as the extension of STANAG 4044 on a "Standard Atmosphere" to higher altitudes, a new edition of STANAG 4061 on the Adoption of a Standard Ballistic Meteorological Message including weighting factors, and the final draft of STANAG 4106 on the Procedures for the Determination of the External Ballistic Performance of Shell.

(iv) Small arms

259. The Group of Experts on a Post-1970 Family of Small Arms (AC/239) has finalised the Manual of Test Procedures for possible rifle and light machine gun weapons systems which may be brought into service during the post-1970 period.

(v) Multi-fuel engines

260. During the period under review the Group of Experts on Multi-Fuel Engines (AC/242) has approved NATO test procedures for multi-fuel engines of 500 hp. and above.

(f) Missiles and naval equipment

(i) Identification of submarines

261. At a meeting of the Ad Hoc Mixed Working Group on an Identification System for Submarines (AC/235) in September 1966, the United Kingdom confirmed her intention to develop an underwater communication system and an IFF encoder to meet short-term requirements. France and the Netherlands also reported progress in the development of acoustic intercept equipment which is compatible with the United Kingdom system. Other countries

expressed a firm interest in the adoption of such a system for their forces with the result that the NATO Naval Armaments Group set up the Project Group to which I have referred earlier in this report. The activities related to an identification system to meet longer-term requirements have been transferred to the new Defence Research Group.

(ii) Recoverable exercise mines

262. The Ad Hoc Mixed Working Group on Recoverable Exercise Mines (AC/236) met in September 1966 under its new Terms of Reference which had been approved by the former Armaments Committee. At that meeting it agreed to recommend to the NATO Naval Armaments Group that it be reconstituted with a new title and Terms of Reference since it considered that those given to it by the former Armaments Committee did not constitute a valid foundation on which to base its future activities. This recommendation was taken into account by the NATO Naval Armaments Group when it disbanded the AC/236 Group and set up an Information Exchange Group on Mines and Mine Countermeasures (AC/141(IEG/3)) with appropriate Terms of Reference.

(iii) Anti-tank defence

263. The Ad Hoc Mixed Working Group on Anti-Tank Defence (AC/172) has continued to exchange information on weapon systems under development and other items of interest such as methods for selection and training of anti-tank weapon operators, requirements for anti-tank weapons in the post-1975 period and meteorological observations. In addition, it completed its Standard Assessment Method and Test Programme with the addition of a fourth chapter on the Assessment of Reliability; produced a catalogue of anti-tank weapons; and circulated a draft STANAG on the 80 mm. Carl Gustaf gun and its ammunition. A list of studies was also drawn up with a view to assisting the appropriate Panel of the NATO Army Armaments Group in defining the operational characteristics of the next generation of anti-tank weapons.

(iv) Low altitude surface/air weapons systems

264. During the period under review the Ad Hoc Mixed Working Group on Low Altitude Surface/Air Weapons Systems (AC/189) continued to exchange information on weapons systems under development, operational concepts, specific techniques, such as jump frequency magnetrons, and meteorological observations. The Group, assisted by the SHAPE Technical Centre, has completed its assessment of the RAPIER (ET-316) weapon system and is making good progress in the assessment of four other weapon systems (ROLAND, CHAPARRAL, INDIGO and L4/5) which countries have submitted for evaluation.

(g) NATO Maritime Patrol Aircraft Steering Committee

265. Prototypes 01 and 03, which were repurchased from the United States by the French and German Governments respectively have now been brought up to standard for crew training. The production programme has continued satisfactorily with the result that by the end of 1966 the first 32 aircraft from the series production had flown and 25 of them had been delivered to the French and German Navies. The technical success of the programme can best be measured by the fact that the number of major modifications remains well below average, with an overall cost of only slightly more than one per cent of the total budget. The main concern of the Steering Committee is the lack of further orders of this aircraft.

(h) NATO Mark 44 Torpedo

266. The Franco/Italian Co-ordinating Committee has reported that the items included in the First and Second Slices of the co-ordinated production of this torpedo have all been delivered by Italy and that deliveries by France should be completed at the end of May 1967. The equipment produced under this programme continues to give complete satisfaction to both France and Italy and is fully interchangeable with the corresponding United States equipment. The Group of Experts on the Production of the United States Mark 44 Torpedo (AC/167) organized a series of trials at La Spezia in July 1966 to demonstrate the interchangeability of the complete torpedo and of major components. These trials were very successful and the results were generally satisfactory; the minor defects which were brought to light, such as the method of fitting the parachute for torpedoes mounted on aircraft or helicopters, can easily be remedied.

(i) NATO Steering Committee on the Production of the M.72 Light Anti-Tank Weapon

267. In July/August 1966 the delivery of complete weapons fell a little behind schedule owing to the delay in the delivery of a component. Appropriate measures were taken by the Steering Committee to overcome this with the result that deliveries were again on schedule by the end of the year. The production programme is expected to continue until December 1967.

(j) NATO BULLPUP Production Organization

268. The production programme has continued according to schedule and should be terminated as foreseen by mid-1967. At the end of the reporting period more than 80% of the missiles and their spare parts which had been ordered from the production programme had been delivered or were available for delivery. The Board of Directors has decided to close its Management Office not later than 31st December, 1967, and arrangements have been made



for the completion of outstanding business by that date so that the liquidation of the Production Organization can commence on 1st January, 1968. Negotiations are also in hand with the NATO Maintenance Supply Organization (NAMSO) with a view to its assuming responsibility for the post-production services related to this weapon.

(k) NATO F.104-G STARFIGHTER Production Organization  
(in liquidation)

269. As I stated earlier in my report the liquidation of the F.104-G Production Organization was completed on 30th November, 1966. All that remains to be done now is for the Board of Directors to examine the final accounts for the liquidation period. A final report in the form of an historical record has been circulated to all delegations. This sets out the main problems which were encountered in the management of the production programme, the solutions adopted and the lessons to be learnt for the future should it be decided to set up a similar co-operative production organization.

(l) NATO HAWK Production and Logistics Organization

270. The initial production programme was terminated during the reporting period. However, additional orders amounting to approximately 50 million United States dollars are in hand, the delivery of which will be completed towards the end of 1967. Logistic activities will become increasingly important in 1967, because the Board of Directors has recently decided to launch calls for bids for the Built-in Test Equipment modification (BITE), which will involve an expenditure of about 13 million United States dollars. It has also agreed to undertake the logistic support of the HAWK weapons system at the NATO Missile Firing Installation (NAMFI) as from 1st July, 1967. The possibility of establishing a HAWK European Limited Improvement Programme (HELIP) is still under study among the interested nations.

(m) NATO SIDEWINDER Production and Logistics Organization  
(in liquidation)

271. The liquidation of this organization, which should have been completed at the end of 1966, has been delayed for approximately three months in order to settle outstanding problems related to proprietary rights and the definition of logistic support. Nevertheless the office of the liquidator was disbanded at the end of the year and a clerk was retained to handle any administrative matters that may arise.

(n) Industrial property

272. During the period under review the Working Group on Industrial Property (AC/94) approved the text of the "NATO Agreement for the Communication of Technical Information for Defence Purposes". The text of the implementing procedures for

this agreement will be circulated to the members of the Group for approval by correspondence. The Group approved by correspondence a revised version of its Terms of Reference for submission to the Conference of National Armaments Directors. Problems of proprietary rights involved in the framework of the NATO Research Grants Programme have been examined by the Group and recommendations have been submitted to the Scientific Affairs Division for implementation. A second edition of the "Glossary of Terms Commonly Used in Connection with Industrial Property" has been circulated to all delegations and appropriate NATO agencies.

(o) Inspection and quality control

273. The Group of Experts on Inspection and Quality Control (AC/250) has circulated the final version both of STANAG 4108 and the Allied Publication on NATO Quality Control System Requirements for Industry. The Group has also drafted a preliminary version of a guide for inspectors on the implementation of these requirements.

C. LOGISTICS

(a) Codification of equipment

274. The Panel on Codification of Equipment (AC/135), having examined the United States Federal Catalogue Improvement Programme and its impact on the NATO Codification System, has decided, in spite of the considerable financial implications involved, to adopt such technical improvements as are necessary to obviate the risk of having two separate systems within NATO. All rules and procedures for the international application of the system are to be published as a "NATO Manual on the Codification of Equipment". The Panel has also approved a new method of reporting on the progress made by nations in their codification of equipment programmes.

(b) Transport and storage of military ammunition and explosives

275. The Group of Experts on the Safety Aspects of Transportation and Storage of Military Ammunition and Explosives (AC/258) held its first meeting in November 1966, when it examined its Terms of Reference and addressed itself in general terms to each of the tasks contained therein. On the basis of available documentation a preliminary review of the national and international regulations governing the transport of ammunition and explosives was undertaken and several countries made known the difficulties they experienced in their application. Following this review the Group agreed upon an order of priority of the consideration of each mode of transport, namely rail, road, air and waterways, which was based on the stage reached in the establishment of the respective international regulations. Finally, a Restricted Group was set up to examine proposed amendments and additions to the Manual of NATO Safety Principles for the Storage of Conventional Ammunition and Explosives.

(c) NATO Pipeline System

(i) NATO Pipeline Committee

276. The preliminary views of the Turkish Authorities on the report of the Committee's Study Group on the Operation and Maintenance of the NATO Pipeline System in Turkey only became available in December. As more detailed comments were expected early in 1967 it was decided not to hold a meeting of the Committee in the period under review. In the meantime reports from the other regions for the year 1965 were circulated.

(ii) Organization of the NATO Pipeline System in the Central Europe Region

277. As foreshadowed in my last report the level of military movements of fuel has remained practically constant, while use of the system for other than NATO military purposes has increased considerably. This is largely the result of additional civilian traffic on the Marseilles-Strasbourg line, the volume of which is continuing to rise.

278. Among the more important questions studied by the directing bodies of the system during the period under review were problems relating to the bringing into use of a new extension in Southern Germany, taxation on multinationally financed expenditure incurred by national pipeline divisions and negotiations concerning the third party insurance for the system. The 1967 budgets for the Central Europe Operating Agency and the national divisions were approved in December 1966.

279. An incident which occurred at Octeville near Le Havre on 6th July, 1966 has given rise to considerable discussion and poses interesting legal problems. A tanker secured to the buoys of the Octeville south sealine parted its mooring wires while still connected to the sealine hoses. Apart from some loss of product, considerable material damage ensued. A number of parties are involved or have an interest in this matter for which there is no clear precedent.

(d) NATO Maintenance and Supply Organization

280. The only significant change to report in the activities of the NATO Maintenance and Supply Organization (NAMS0) concerns the NIKE programme where the number of NIKE weapons systems supported by NAMS0 will be reduced by about ten per cent as a result of the decision taken by France to withdraw her participation unless another NATO country is prepared to take the NIKE weapons systems that were originally assigned to France. This decision will also entail a corresponding annual reduction of some 180,000 French francs in the revenue derived by NAMS0 from the procurement of NIKE spare parts.

281. Another consequence of the French decision to withdraw from the integrated forces of the Alliance which will affect the activities undertaken by NAMS0 is that of the forthcoming departure of the United States Air Force from Déols (Châteauroux) Airfield, with the consequent loss to NAMS0 of the United States transceiver facilities (an electronics system used for the transmission of orders to dépôts in the United States). Arrangements have been made whereby the Déols Airfield will be operated by French personnel after the departure of the United States Air Force. However, as only Visual Flight Route facilities (VFR) will be available, NATO aircraft en route to the NATO Supply Centre (NSC) at Châteauroux will have to be re-routed when bad weather conditions prevail to the Orleans-Brécý Airfield where Instrument Flight Route facilities (IFR) are available. In such cases the subsequent road transport to the NSC at Châteauroux will be the responsibility of the NAMS0. As regards the transmission of orders to dépôts in the United States, an agreement has been reached between the NSC and the IBM Company whereby the latter will lease a transceiver to the NSC and connect it to the United States' network at Siegelbach (Federal Republic of Germany).

282. The study of the logistic support of the NADGE system and BULLPUP weapons system has been pursued by the NAMS0. The Board of Directors has authorised its Agency to undertake immediately, if so requested by the NADGE Policy Board, those tasks which are to be funded by the NADGE Management Office. With regard to the logistic and technical support of the BULLPUP weapons systems, negotiations are in hand with a view to the NAMS0 assuming responsibility in this field during the post-production period.

D. INFRASTRUCTURE

(a) Programming

283. The military authorities have been engaged in the preparation of the Slice of infrastructure works for 1967 (Slice XVIII), the third Slice of the latest five-year infrastructure programme for 1965-1969.

284. Although this Slice has been considered in the normal way by the subordinate Commands (meetings in September), it has not been possible up to the present time for the Infrastructure Committee to examine it in detail and to present it for approval to the Council, because of the complications arising from the position taken by France on 7th September last(1).

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(1) C-VR(66)44

285. As regards infrastructure(1), France has stated that she would no longer participate either in the preparation or in the financing of common infrastructure programmes. However, for past Slices, that is annual Slices which have been approved (17th and earlier Slices) the following distinction has been made by the French Authorities:

- (a) French participation will be maintained if fund authorisations have already been granted;
- (b) if not, France will not participate in the projects.

286. However, France declared at that time her intention of continuing participation in NADGE within the framework of co-operation agreements for alert and early warning.

287. On 10th November, 1966(2) the French Representative reiterated that, since France is continuing her participation in the NADGE programme, she will still remain within the network for the receiving and transmitting of air defence information, it being understood that she will carry on with her financial participation.

288. In the name of the Fourteen, the Dean stated that he saw no objection, in the present circumstances, to France's continuing to have access to the NATO information system on air defence.

- (b) Allied Command Europe Plan for Air Defence of NATO Europe (NADGE)

289. In my previous report(3) I stated that the envelopes of bidders for the NADGE project had been opened on 16th June, 1966, and that at its meeting on 29th June, 1966, the Council took note of the report of the NADGE Policy Board which announced that an international consortium, the Hughes Aircraft Company Consortium, had been designated as the lowest bidder. This consortium is now called NADGECO Limited.

290. During the second half of 1966 this consortium, with the assistance of NADGEMO, national experts and Representatives from SHAPE and the SHAPE Technical Centre, divided the global bid into nine separate contracts, each of which corresponded to a specific host country. These nine contracts were completed and signed by all the parties concerned on 28th December, 1966, that is to say before the end of the year, at which date the consortium could have revised its prices if the contracts had not been signed.

291. Of a total programmed amount of £110 million, contracts amounting to over £92.5 million have been signed, and the remainder will be used to cover contingencies and administrative expenses.

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(1) C-R(66)44, page 4, point II  
(2) C-VR(66)59  
(3) See paragraph 265 of C-M(66)88

(c) Policy for Major Wartime Headquarters

292. In view of the present Soviet attack capability, which comprises a wide range of nuclear weapons of all types, and the almost prohibitive cost of protecting War Headquarters against such weapons, the Military Committee submitted proposals to the Council for a new policy(1) founded essentially on mobility, rather than on protection, as had hitherto been the case.

293. At its meeting on 13th July, 1966(2), the Council approved the broad concept of the policy, as set out in the Military Committee Memorandum, with the proviso that the implementation of this concept should be justified on a case-by-case basis.

(d) Other questions

294. During the second half of 1966 the Infrastructure Committee met 13 times and the Infrastructure Payments and Progress Committee met 24 times.

295. During the semester, the Infrastructure Committee has studied the principal following matters:

- provision and relocation of communications equipment for the new SHAPE and AFCENT Headquarters;
- installation of an alternate link between the Federal Republic of Germany and Italy within the Forward Scatter System;
- maintenance and preservation of NATO Infrastructure facilities in France vacated by the United States;
- the TROL Teletypewriter Cryptographic Procurement programme: number of machines;
- inventory status of NATO Infrastructure works in North Africa;
- report of the International Board of Auditors for Infrastructure Accounts for 1965.

296. The High Level Working Group, under the Chairmanship of the Assistant Secretary General for Production, Logistics and Infrastructure, charged with the evaluation and selection of on-line teletypewriter cryptographic equipment, continued its work during the second half of the year.

297. At the end of December, however, fundamental questions were raised by a delegation. These were studied immediately by the Council and they would now appear to be practically solved.

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(1) MCM-44-66  
(2) C-R(66)32

298. Moreover, France, further to her declaration of 7th September, gave notice that she would not participate either in common financing of NATO Infrastructure or the selection of this equipment, but that she would buy the NATO TROL equipment for the circuits of interest to her which required it.

(e) Progress of infrastructure

299. The total value of works authorised by the Infrastructure Payments and Progress Committee in the course of the second half of 1966 amounts to £68.7 million of which £48.1 million are for NADGE. This amount brings the total of funds authorised at 31st December, 1966 to £1,115.2 million, i.e. about 89% of the estimated cost of Slices II to XVII inclusive.

300. The contributions which have been approved for the second half of 1966, in order to pay for the works carried out in the host countries, amount to £23.4 million.

301. During the first half of 1966, expenditure rose to £17.8 million. However, the International Staff has had to reduce the country expenditures by about £3 million, for they have not yet been covered by authorisations from the Infrastructure Payments and Progress Committee. This forms the lowest rate known up to the present but its causes are well known. However, in view of the launching of NADGE, it is foreseen that the rate of expenditure during 1967 will regain its normal rhythm.

302. During the half-year in question, the Infrastructure Payments and Progress Committee approved Final Inspection Reports representing an amount calculated at around £15.9 million.

303. The graphs attached at Annex show the financial situation of NATO Infrastructure.

304. Graph I sets out the comparison between funds authorised, actual expenditure, the value of projects which have been the subject of a final technical inspection and the cost estimates of the different Groups of Slices (Annex II).

305. Graph II shows the value of the different categories of projects which make up the Programmes of Slices II to XVII inclusive (Annex III).

X. TELECOMMUNICATIONS SATELLITES

306. At the Ministerial Meeting of the Council in Brussels in the Spring of 1966, Secretary Rusk had mentioned communications satellites as one of several promising projects for co-operative enterprise. During the Summer and Autumn there followed several briefings to the Council by the United States Delegation on the

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possibilities of communications satellites for the conduct of political consultation and the exercise of command and control, and keen interest was expressed by other member nations when the United States submitted firm proposals for a NATO Defence Communications Satellite Programme.

307. On 5th October, the Council set up the Senior Communications and Electronics Group under the Chairmanship of the Executive Secretary to report firstly on the desirability of establishing a NATO Communications Satellite Programme and on how such a programme could be carried out and financed in common; and, secondly, on how a NATO Communications Satellite Programme could be incorporated into an overall NATO Communications System.

308. Based on the reports of the Senior Group, the Defence Planning Committee has found that NATO participation in a defence satellite communication programme is desirable and has agreed on the implementation of the first Phase in the programme. In this Phase, NATO will be leasing two transportable ground terminals - under common infrastructure financial procedures - one near SHAPE and the other near AFSOUTH, using satellite time made available by the United States. NATO will thus be gaining experience and training which will be of value in the subsequent Phases now under study, and will be supplied with a link between SHAPE and AFSOUTH which could carry a small quantity of vital traffic in an emergency. According to present plans operations under the first Phase could start in July 1967.

XI. CO-ORDINATION OF CIVIL AND MILITARY AIRSPACE ORGANIZATION AND AIR TRAFFIC CONTROL SYSTEMS IN NATO EUROPE

309. The Committee for European Airspace Co-ordination (CEAC) has continued its study on standardisation of civil and military air traffic control in NATO Europe and has eliminated most of the existing differences. This study will be periodically updated and will also be extended to cover long-term planning in order to maintain standardisation in the future.

310. Other major tasks on which the Committee currently is working are:

- (a) revision of the joint civil/military plan for navigational aids in NATO Europe;
- (b) establishment of a joint plan for optimum and interference-free use of available UHF Frequencies for Air Traffic Control; and
- (c) revision of joint plans for use of Secondary Surveillance Radar for Air Traffic Control.



311. Co-ordination of civil and military use of airspace during two major NATO Exercises affecting international air navigation has been effected and a programme for CEAC co-ordination of relevant air exercises in 1967 has been established.

XII. CIVIL EMERGENCY PLANNING

(a) General

(i) Reappraisal of civil emergency planning in NATO

312. Following approval by the Council on 23rd November of the Report on the Reappraisal, the Senior Committee in Plenary Session decided that the Medical Committee could now be disbanded and agreed a new structure for PBEIST. This was the subject of a further report to the Council.

313. Responsibility for providing nations or boards and committees, at their specific request, with a means of examining those medical problems they consider appropriate for consideration within NATO, and also with current scientific information and advice, now rests with the Senior Committee in Permanent Session.

314. The Senior Committee has noted that the Council considers the reappraisal exercise a useful beginning in a continuing task of streamlining and improving the effectiveness of NATO civil emergency planning.

(ii) Exercise FALLEX 66

315. Response cells representing the NATO civil wartime agencies were set up at the NATO Permanent Headquarters in October.

316. The cell for the NATO Refugee Agency participated in the first Phase of the Exercise with the primary aim of following the refugee situation created in the period of tension and during the early alert Phases.

317. Cells representing the agencies for inland transport, shipping, civil aviation, and supplies took part in the final Phase to provide exercise responses to the needs of the NATO Military Authorities and some MODs.

318. Results of participation are now being evaluated by boards and committees and the NATO Military Authorities.

(iii) Planning for the NATO civil wartime agencies

319. Some of the lessons of CIVLOG 65 have resulted in proposed changes to the structure or operations of agencies. Work still remains to be done, especially as regards the inter-relationship of the agencies and liaison. The Senior Committee has initiated work for the completion within a reasonable time limit of war manuals for the agencies.

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(iv) Planning for a future CIVLOG-type Exercise

320. The Senior Committee has approved the aims and procedures for the preparation of a new CIVLOG Exercise in 1969, and the Council will be requested to endorse their proposals.

(b) Activities of the specialised boards and committees

(i) Planning Board for Ocean Shipping (PBOS)

321. No meeting of this Planning Board has taken place in the period under review. However, arising from the meeting in April, the PBOS proposal for the block allocation of tankers to employment in wartime, submitted in conjunction with the Petroleum Planning Committee, has been approved by the Senior Committee. Work has begun on staffing the two branches of the Defence Shipping Executive Board; nations have been asked to submit nominations to these posts.

(ii) Civil Communications Planning Committee (CCPC)

322. In the period 1st July to 31st December, 1966, a plan for the maintenance of an international telex service in war for NATO Continental Europe has been completed. In view of its importance and of the fact that some points involve decision and action by national authorities other than the PTT Administrations, it has been submitted to the Senior Civil Emergency Planning Committee as a separate report. A register is now being prepared which will include the information necessary to enable PTT Authorities responsible for international traffic in war to make contact with their counterparts in other member countries. Information on the national authorities who would have to communicate with the NATO civil wartime agencies, and other information on essential civil communications requirements in war, is being assembled and will be taken into account by SHAPE and the SHAPE Technical Centre in planning for the Long-Term Communications Improvement Plan in Allied Command Europe.

(iii) Planning Board for European Inland Surface Transport (PBEIST)

323. In December, PBEIST considered the details of the new structure proposed by the Senior Committee and endorsed by the Council in C-M(66)138. A new edition was published during the latter half of last year of the indexed review of PBEIST's achievements and of studies under consideration. Work on outline agreements relating to the crossing of frontiers by military trains in time of war and to the evacuation of railroad transport means outside of forward areas was concluded, and the two resulting documents have been approved by the Senior Committee: they will be used as a basis for the conclusion of bilateral agreements. Preliminary consideration has been given to a Turkish memorandum on the clearance by road of that country's ports and port emergency installations. Detailed final reports from ACTICE, ACTISUD and NETSO on Exercise CIVLOG 65 have been approved for transmission to the Senior Committee.

(iv) Petroleum Planning Committee (PPC)

324. Although the Committee itself has not met in the period under review, work has begun within the Petroleum Planning Committee on a manual of operations and organization for the NATO Wartime Oil Organization, and revised reporting forms have been prepared.

(v) Industrial Planning Committee (IPC)

325. During the past six months this Committee has approved new peacetime and wartime reporting forms; continued its special studies on electric power, coal and the pharmaceutical industries; undertaken to prepare a list of essential survival items to be maintained in wartime and, in conjunction with the Planning Board for Ocean Shipping and the Food and Agriculture Planning Committee, considered liaison arrangements between the supplies and shipping agencies.

(vi) Food and Agriculture Planning Committee (FAPC)

326. With respect to the food elements of the Central and European Supplies Agencies, the Food and Agriculture Planning Committee has approved proposals for changes to structure and liaison arrangements; has approved, in principle, new reporting forms; and has initiated work on the preparation of war manuals. It has further agreed to update its study on the radioactive contamination of food and agriculture.

(vii) Civil Aviation Planning Committee (CAPC)

327. Agreement has been reached at Working Group level on a revised organization for the Board for Co-ordination of Civil Aviation. Studies on the use of aircraft by the country of refuge, and methods for arriving at national estimates of probable requirements and capabilities for civil transport airlift are in progress. The Committee itself did not meet in the period 1st July to 31st December, 1966.

(viii) Civil Defence Committee

328. During the second half of 1966, the Civil Defence Committee has given special attention to a review of progress achieved by member countries in planning for their alert system and fallout shelters, and the state of preparedness within the Alliance in respect of post-attack organization.

329. Consequent upon the departure of the NATO Refugee Adviser, the Head of the Civil Emergency Planning Bureau was elected Chairman of the Working Group on Refugees.

XIII. NATO SECURITY PROBLEMS

330. Much of the time of the Security Bureau has again been devoted to the practical implementation of the ATOMAL system in accordance with the security requirements of the Agreement for Co-operation Regarding Atomic Information(1). Under the direction, and on behalf of the Secretary General, acting in the name of the North Atlantic Council and under its authority, the Security Bureau has, within its Terms of Reference, carried out responsibilities conferred under the Agreement for supervising the application of the NATO Security Programme for the protection of atomic information.

331. Exercising these responsibilities has found practical expression in a number of ways. For one thing, during the period under review, the Security Bureau has completed its 1966 inspection obligations. Full inspections, which are required biennially, of the overall arrangements for the security protection of NATO classified information, including arrangements to implement the COSMIC, CABAL and ATOMAL systems, have been carried out in Canada, Luxembourg, Norway, the United Kingdom and the United States, and inspections, required annually (where full inspections had been carried out in 1965) limited to the ATOMAL system (but in certain cases extended to include a review of the inter-departmental security organization) have been made in France, Greece, Italy and Turkey. Inspections in Greece and Italy were made in company with the Interim Security Working Group of the Military Committee, in accordance with the decision of the NATO Security Committee to explore the feasibility and desirability of carrying out combined inspections.

332. A total of 313 reports of inspections and reinspections of military commands and agencies, and 55 reports of corrective action taken where the inspection reports required this, have been received, reviewed and transmitted to the Government of the United States as required by the Agreement.

333. Finally, in this context, the Security Bureau maintained close liaison with the United States Authorities in connection with the preparation of special arrangements for handling ATOMAL information arising from Exercise FALLEX 66. In addition, constant contact has been maintained with the United States Authorities in connection with the preparation of new Administrative Arrangements to support the ATOMAL Agreement. The position is very much as stated in the last progress report; the ATOMAL system is still operating on ad hoc administrative procedures following Council's acceptance of C-M(66)17.

334. As an essential element in the early planning in preparation for the relocation of NATO Headquarters in Brussels, the Security Bureau has been in close contact with the Belgian National Security Authority. The security implications of the impact of the

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(1) C-M(64)39

arrival of both SHAPE and NATO Headquarters in Belgium are far reaching, and many problems arising are common to both. On that account security planning has been closely co-ordinated with the SHAPE security authorities. Problems both general and specific, consequential upon relocation, in the fields of physical, personnel and technical security have been identified, and the lines upon which their solution might best be achieved, agreed with the Belgian Authorities and with SHAPE.

335. Following the decision to abolish the Standing Group, the Military Committee put forward a proposal that consideration should be given to a realignment of responsibilities for security within NATO, the main objective of which was that the Security Bureau should assume executive responsibilities conferred upon the Standing Group Security Committee (SGSC) by NATO security document C-M(55)15(Final). On the basis of this proposal the NATO Security Committee has undertaken a reappraisal of the structure of the organization for security within NATO, and it is anticipated that firm proposals will be made to Council in the near future.

336. The Security Committee has continued its study of the organization for security within the NADGE Programme. It has reaffirmed the view of National Security Authorities, recorded in the last progress report, that Council should be invited by the NADGE Policy Board to amend the NADGE Charter so that security procedures on the lines of those approved for NPLOs (rather than those applicable to infrastructure projects) should be applied to NADGE classified production, and contingent upon such an amendment coming into effect, that a full-time professional Security Officer should be appointed to the Management Office. Action is being taken to recruit a Security Officer, and is in train to invite the Council to approve the desired amendment to the Charter. In addition, the NATO Security Committee has agreed that specially designed procedures for the control of visits involving access to its classified aspects, should be applied to the NADGE Programme. The Security Committee has also been invited by the Security Bureau to consider the establishment of a Security Committee for the NADGE Programme consisting of representatives of National Security Authorities of participating nations.

337. Industrial security inspection visits have been made by the Security Bureau to the United States, Germany and Italy during the period under review.

338. Penkovsky, in his published "Papers" says in effect that towards the end of the Stalin régime the Central Committee of the Communist Party of the Soviet Union (CPSU) ordered a restriction on the active use of members of Communist Parties of Western countries for intelligence purposes. Penkovsky goes on to say that in 1956-1957, with the approval of Khrushchev and the Central Committee of the CPSU, the Russian Intelligence Services began again to recruit agents from among Party members. The Special

Committee has undertaken a study to determine whether a reflection in practical terms of these changes of policy has been observed in member countries. The Committee has reached a general conclusion that the intelligence histories of member countries do not confirm or refute the changes in agent recruitment policy referred to by Penkovsky. Intelligence histories emphasise the empirical approach taken by Bloc Intelligence Services: if circumstances make it expedient to do so, they have few scruples about approaching Party members with a view to their recruitment.

339. The NATO Special Committee has concluded its study of Communist activities among foreign workers and students in NATO countries. It has been noted that a significant practical by-product of this study has been a marked increase in parent/host country bilateral intelligence liaison.

(Signed) Manlio BROSIO

OTAN/NATO,  
Paris, (16e).

NATO CONFIDENTIAL  
ANNEX I to  
C-M(67)22

BREAKDOWN OF STAFF BY GRADE AND NATIONALITY  
31st December, 1966

	UNCL.	A.7	A.6	A.5	A.4	A.3	A.2	A.1	Total	B.6	B.5	B.4	B.3	B.2	B.1	Total	C.6	C.5	C.4	C.3	C.2	Total
BELGIUM		1		5	8	3	1	18				3	2	3		8					1	1
CANADA	1			2	2	2		4						1		1						
DENMARK					4			6														
FRANCE	1		3	9	11	16	6	45	5	11	41	79	80	5	221	6	12	29	178	42	267	
GERMANY	1	2	2	4	11	1	1	20			1	2	1		4							
GREECE					6		1	7		1					1							
ICELAND																						
ITALY	1	2		5	9	2	1	19	1		2				3			2	3	1	6	
LUXEM- BOURG					1			1				1			1							
NETHER- LANDS		1		5	3			9		1	1	1			3							
NORWAY					4			5														
PORTUGAL					1	1		1				1	1	1	2							
TURKEY				1	6	1		8														
UNITED KINGDOM	2	1	-	9	19	16	9	54		1	11	47	73	1	133							
UNITED STATES		2		5	7	2		16														
<u>TOTAL</u>	<u>6</u>	<u>9</u>	<u>5</u>	<u>45</u>	<u>92</u>	<u>44</u>	<u>18</u>	<u>213</u>	<u>6</u>	<u>14</u>	<u>59</u>	<u>134</u>	<u>159</u>	<u>6</u>	<u>378</u>	<u>6</u>	<u>12</u>	<u>31</u>	<u>181</u>	<u>44</u>	<u>274</u>	

TOTAL: 871

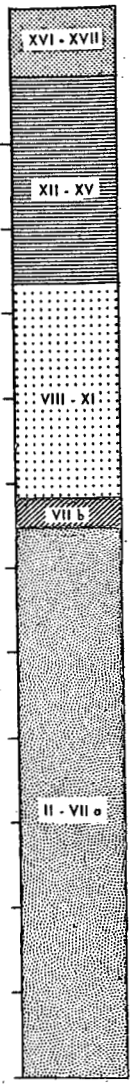
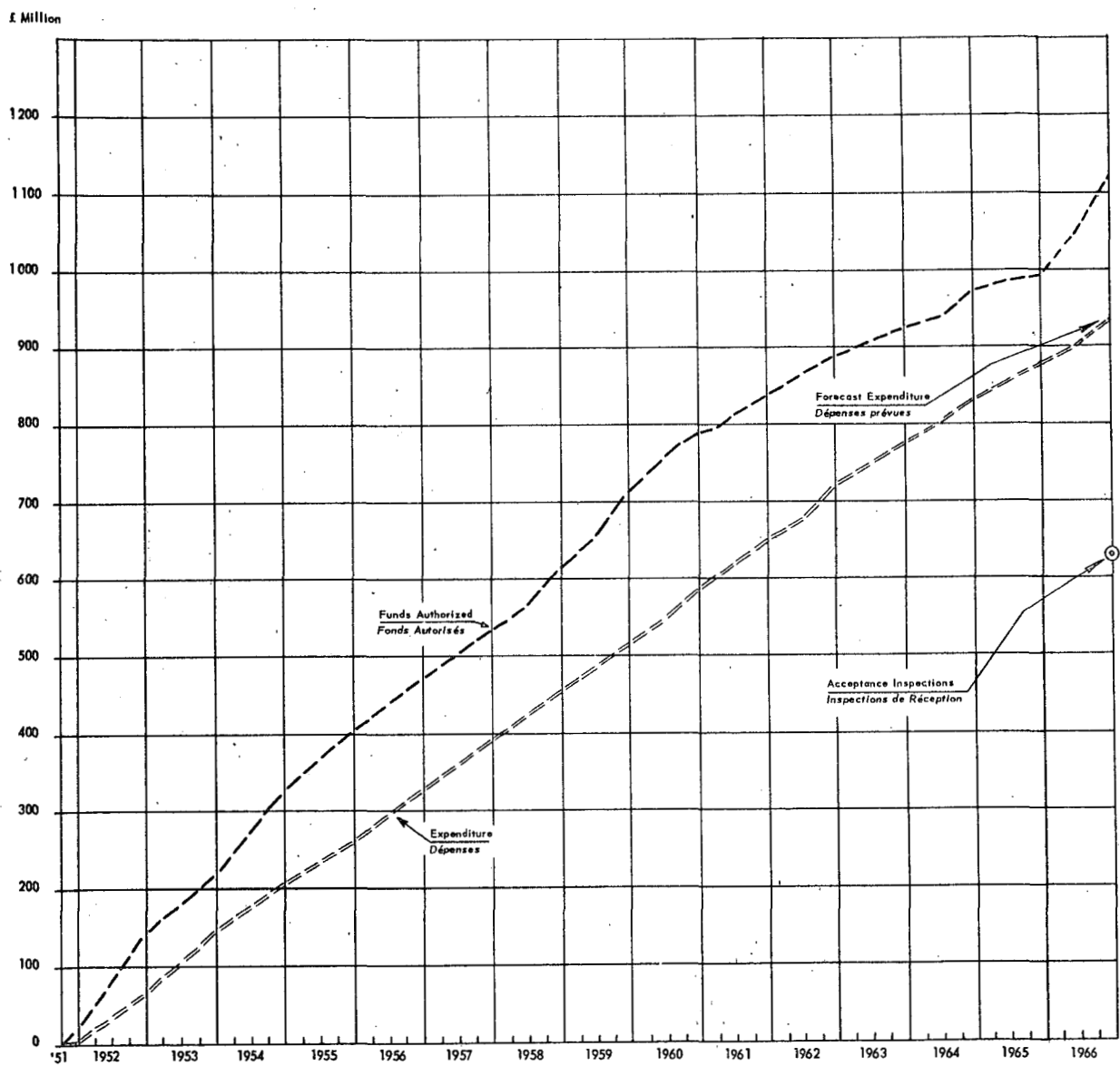
N.B. This table does not include linguistic posts filled at this date.  
(FRANCE: 47 + UNITED KINGDOM: 22 + BELGIUM: 1 = 70)

70  
941

NATO CONFIDENTIAL

CHART I - GRAPHIQUE I

NATO COMMON INFRASTRUCTURE - INFRASTRUCTURE COMMUNE OTAN  
ALL COUNTRIES ALL PROJECTS - TOUS PAYS TOUS PROJETS  
SLICES II - XVII - TRANCHES II - XVII



Slices II - XVI  
Latest Cost Estimate  
30 June 1966

Tranches II - XVI  
Dernière Estimation  
des Coûts  
30 Juin 1966



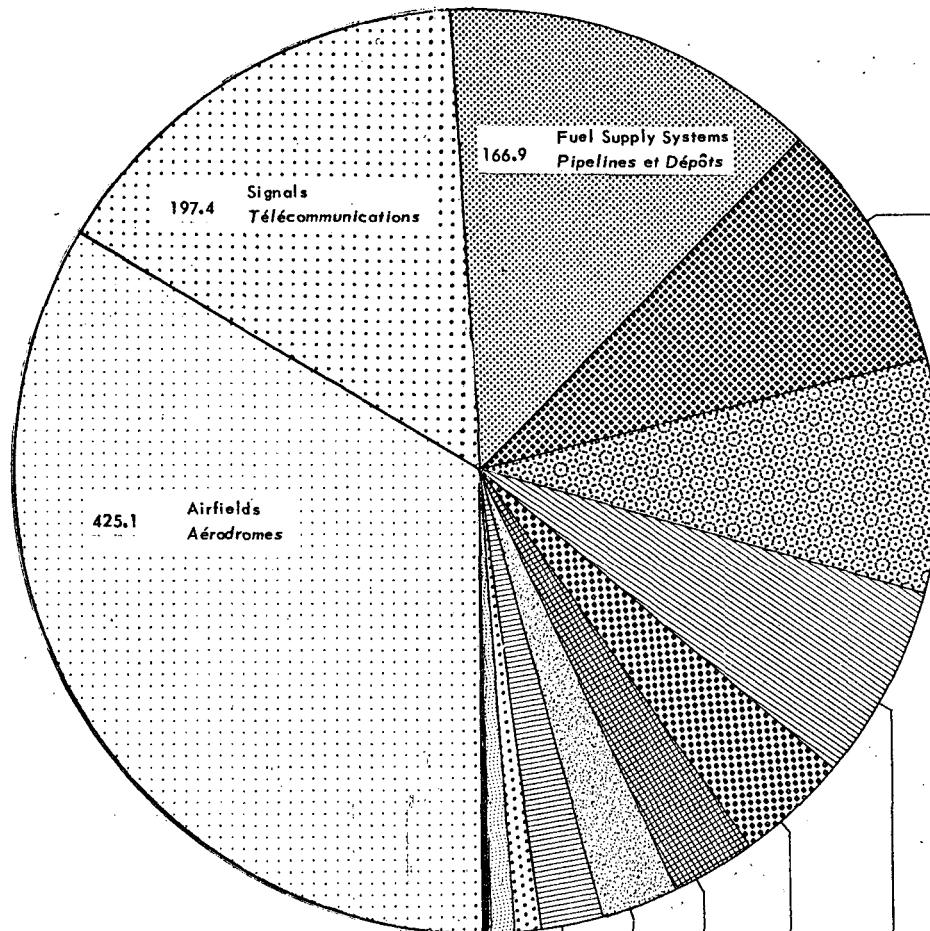
CHART II - GRAPHIQUE II

NATO COMMON INFRASTRUCTURE - INFRASTRUCTURE COMMUNE OTAN  
LATEST COST ESTIMATE BY CATEGORIES OF WORKS - DERNIERE ESTIMATION DU COUT PAR CATEGORIES DE TRAVAUX

£ 1,255.8 MILLION - 1.255,8 MILLIONS DE £

SLICES II - XVII - TRANCHES II - XVII

(30 JUNE 1966 - 30 JUIN 1966)



0.8 Anti-Submarine Installations - Installations de détection pour sous-marins

6.9 Surface-Surface Missile Installations - Installations Engins Sol-Sol

11.4 Radio Navigational Aids - Aides à la navigation

25.8 Training Installations - Installations d'Entraînement

32.4 Radar Warning Installations - Installations Radar

37.7 Special Ammunition Storage - Dépôt de Munitions spéciales

50.1 War Headquarters - Quartiers Généraux de Guerre

87.7 Surface-Air Missile Installations - Installations Engins Sol-Air

103.6 Naval Installations - Installations navales

110.0 NATO Air Defence Ground Environment - Infrastructure Electronique de la Défense Aérienne de l'OTAN

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