

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
APO 500

AG 410.2 (28 Jun 48)CPC/CD
SCAPIN 1914/2

20 May 1949

MEMORANDUM FOR: JAPANESE GOVERNMENT

SUBJECT: Responsibility of Japanese Government for Precious
Metal Procedures

1. Reference is made to the following:

✓ a. Memorandum for Japanese Government, file AG 410.2 (1 Mar 47)
CPC/GP; SCAPIN 3312-A, 1 March 1947, subject, "Processing of Precious
Metals," from General Headquarters, Supreme Commander for the Allied Powers

✓ b. Memorandum for Japanese Government, file AG 410.2 (22 Nov 47)
CPC/GP, SCAPIN 1825, 22 November 1947, subject, "Application for Use of
Precious Metals for Domestic Consumption during the Period from Fourth
Quarter of 1947 through Third Quarter of 1948," from General Headquarters,
Supreme Commander for the Allied Powers

c. Memorandum for Japanese Government, file AG 410.2 (28 Jun 48)
CPC/CD, SCAPIN 1914, 28 June 1948, subject, "Responsibility of Japanese
Government for Precious Metal Procedures," from General Headquarters,
Supreme Commander for the Allied Powers

d. Memorandum for Japanese Government, file AG 091.31 (9 Aug 48)
ESS/FTC, SCAPIN 1926/3, 27 January 1949, subject, "Procedures for Handling
Private Export Contracts and Licenses to Export," from General Headquarters,
Supreme Commander for the Allied Powers.

✓ 2. Paragraph 3, reference 1a above and paragraph 5, reference 1b
above, are hereby rescinded.

✓ 3. Paragraph 4, reference 1c above, is hereby rescinded, and the
following substituted therefor:

"4. Effective upon receipt of this memorandum, the following pro-
cedures will govern, where precious metals are required in the production of
items which will be sold for acceptable foreign exchange or acceptable
foreign exchange credits:

a. Where a contract has been signed, and validated by properly
designated authorities, the manufacturer may use this contract as authority
to secure the release of commercial forms from the pool of commercial
products under custody of the Ministry of Finance, Japanese Government,
provided that:

AG 410.2 (28 Jun 48)CPC/CD
SCAPIN 1914/2

- (1) Commercial forms containing gold and silver will be released only in quantities to enable normal manufacturing operations, and not in bulk amounts against term contracts calling for deliveries over a long period of months
- (2) Commercial forms containing gold and silver called for in the order contain less than \$2,500 worth of precious metals at current world prices

A copy of inclosure number 1, properly completed and signed, will be given to the pool member by the manufacturer. Other copies of this completed form will be attached to and forwarded with documents submitted as directed by reference 1d or amendments thereto. Only amount required will be requested and released, and proper action under Japanese statutes, will be taken in all instances of improper requests or releases. Pool members will maintain proper and adequate records, and the Japanese Government will maintain control accounts of such records, verifying them by periodic examinations.

b. Where a contract has not been signed, when the kind of precious metal required is not available in the pool of commercial products, and where amounts of precious metal forms equal or exceed the value stated in paragraph 4a (2) above, copies of completed inclosure number 1 will be forwarded with other designated documents for validation. This inclosure will show that the Ministry of Finance, Japanese Government, approves the use of the precious metals itemized, that examination has determined that the request is proper, and that the approval of General Headquarters, Supreme Commander for the Allied Powers is requested. This request will be forwarded to the appropriate agency of General Headquarters, Supreme Commander for the Allied Powers for approval, as an inclosure to other forms directed to be submitted."

FOR THE SUPREME COMMANDER:

George R. Connor

GEORGE R. CONNOR,

Colonel, AGD,

Acting Adjutant General.