

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

AG 463.7 (25 Oct 46)ESS/AC
(SCAPIN - 1294)

AFD 500
25 October 1946

MEMORANDUM FOR: IMPERIAL JAPANESE GOVERNMENT
THROUGH : Central Liaison Office, Tokyo
SUBJECT : Distribution of Petroleum Products

1. References are the following Memoranda for the Imperial Japanese Government from General Headquarters, Supreme Commander for the Allied Powers:

a. AG 334 (3 Apr 46)ESS/IE, 3 April 1946, (SCAPIN - 854), subject: Board of Trade (Boeki Cho).

b. AG 463 (21 May 46)GD, 21 May 1946, (SCAPIN - 971), subject: Receipt and Distribution of Petroleum Products.

2. The Imperial Japanese Government will revoke all statutes, ordinances and orders so far as they relate to the distribution of petroleum and petroleum products. Statutes, ordinances and orders relating to the use of petroleum and petroleum products will remain in effect.

3. The Imperial Japanese Government will dissolve the Petroleum Distribution Control Company, except for the purpose of holding assets for liquidation.

4. The Imperial Japanese Government will submit to the Supreme Commander for the Allied Powers, in quintuplicate, typed in English on 8" x 11" paper, within fifteen (15) days of the receipt of this directive, a proposal for establishment of a corporation responsible to the Ministry of Commerce and Industry, including in this proposal the following considerations:

a. A provision that the corporation be capitalized in whole with government funds.

b. A provision that the corporation be the sole distribution agency for petroleum products, except that those persons engaged in the business of selling petroleum products to consumers may engage in such distribution.

Basic: Memorandum for Imperial Japanese Government from GHQ, SCAP, file AG 463.7 (25 Oct 46) ESS/AC (SCAPIN - 1294), subject: "Distribution of Petroleum Products," dated 25 October 1946.

- c. A provision that the corporation have the following powers:
- (1) To acquire by lease any or all facilities and equipment of the Petroleum Distribution Control Company.
 - (2) To acquire and distribute all petroleum products, whether imported or domestic.
 - (3) To allocate, with the assent of the Ministry of Transportation and acting under the direction of the Economic Stabilization Board, all transportation facilities suitable for the distribution of petroleum and petroleum products.

5. The Imperial Japanese Government will establish a program for rationing of petroleum products to individual purchasers to be administered by the Ministry of Commerce and Industry and acting under the direction of the Economic Stabilization Board.

FOR THE SUPREME COMMANDER:

J. B. Cooley
JOHN B. COOLEY,
Colonel, AGD,
Adjutant General.