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FEB 1952 51-44A

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INFORMATION REPORT

REPORT

CD NO.

COUNTRY Rumania

DATE DISTR. 26 November 1952

SUBJECT Commercial Relations between Rumania
and Czechoslovakia

NO. OF PAGES 3

DATE OF INFO.

NO. OF ENCLS.
(LISTED BELOW)

PLACE ACQUIRED

SUPPLEMENT TO REPORT NO.

50X1-HUM

[Redacted]

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[Redacted]

1. Czechoslovak industries in Rumania include the following:

- a. The Metal and Arms Factory at Cugir (Hunedoara district) which was built by the Zbrojovka-Brno Ammunition Factories in cooperation with the Rumanian Government. The Czechoslovak share in the plant is 7 percent. Since the nationalization in 1948, the up-to-date equipment installed by the Czechs has become exclusively Rumanian property.
- b. The Metrom Metallurgical Factory at Brasov on the Brasov-Darste road. This plant was founded with mixed Czech and Rumanian capital. Production consists mainly of copper and bronze and other non-ferrous articles. The equipment is probably used for the manufacture of ammunition, particularly cartridge cases. The factory consists of several small buildings covering an area of several hectares.
- c. The Poldi Iron Works at Brasov (Forja Poldi). This plant was established by the Czechoslovak Poldi Works with Czech capital. Production consists of special steels and manufactured pieces made of special steel. The equipment is modern and was installed about 1940.
- d. The Valea Sadului Ammunition Factory on the Bumbesti-Livezeni railroad, near Targu-Jiu. This plant is built at Valea Sadului Station, on both sides of the highway and the railroad track, near the river Jiu. It includes several large and small brick buildings with tin or brick roofs, covering an area of about six hectares. The equipment is modern and was installed by the Skoda Works, Pilsen, about 1940. The factory employs about 2,000 workers, who live in Targu-Jiu and the neighboring villages and in special accommodations built near the factory. The production consists mainly of arms and ammunition.
- e. The Resita Works. This plant was built by the Czech ammunition factories Skoda and Zbrojovka with capital supplied by [Redacted] and probably also [Redacted]

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- f. The Metallurgical Works at Ploesti. This plant was established by Skoda for the repair of their heavy artillery carriers. The works have been entirely destroyed and attempts to restore them failed. The majority of the Skoda heavy artillery carriers are therefore now useless for the lack of a special repair workshop and spare parts.
- g. The Argintaria Romaneasca (Rumanian silver factory) in the Dudesti-Cioplea district, Bucharest (Tram No. 18). This plant was established by the Sandrick Works. It has modern equipment and makes cutlery and other items of aluminum or silver and also has installations for silver-plating.
- h. The oil refinery at Comanesti (Bacau) in the Trotus Valley. This plant processes oil obtained in the Comanesti-Bacau district, including aviation gasoline. The equipment is quite new and was installed since 1950 by the Brunner mechanical works at Brno. Production was to have started in 1951.
- i. The Teleajen Refinery at Ploesti. This plant was recently provided by the Czechoslovak works at Brno with additional up-to-date equipment. The refinery occupies an area of about ten hectares, and the new installations were to begin operations in the beginning of 1952.
- j. The plans for the Lenin Hydro-electric Power Station at Stejarul (Bicaz). This plant is to be the largest in Rumania. The plans have been prepared by the Czechoslovak Company for Industrial Projects in Prague. The power station is to be finished by the end of the first Five Year Plan and is to supply current to all industrial enterprises in Moldavia and Eastern Transylvania.
2. Two Czech commissions have been to Rumania to negotiate for outstanding payments in connection with Czech property nationalized in 1948, but no progress has been made. One of the delegations was headed by Augenthaler, the former Czech minister to Rumania. Czech representatives also approached the Sovroms in connection with former Czech property incorporated in these organizations, but equally fruitlessly. Remaining private property is now nationalized without any formalities, items of machinery, etc., being simply removed at the order of a ministry.
3. The 1951 plan provides for the import of industrial equipment with a value of 1,000 million lei from Czechoslovakia, Rumania's largest supplier after the USSR. In 1951 an agreement was concluded according to which technical experts and designs were to be sent from Czechoslovakia to Rumania, in addition to machinery and industrial equipment.
4. In 1950-51 the exchange of goods between Rumania and Czechoslovakia met with difficulties because there were not enough export goods available in Rumania, and goods intended for Czechoslovakia often had to be sent to Korea, China or the USSR. The agreement between the two countries provided for the export of large quantities of oil from Rumania, but tankers bound for Czechoslovakia were repeatedly diverted at the last moment as the result of directives received from Moscow. As a result, the 1951 treaty provided for 50 percent less oil than the 1950 treaty, and Czechoslovakia was to obtain additional oil from [redacted]
5. There are large stocks of oil in the Sub-Cetate Petrosani and Ohaba Sub-Munte districts and probably near other railroad stations. Near those stations on both sides of the railway track there are pumping stations with filling and pumping installations and oil tanks. It is believed that these are visible parts of large underground oil depots.


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6. Czechoslovakia supplied Rumania with few raw materials and semi-finished products but furnished many finished products, including automobiles, electrical material, pipes for the oil industry, special steels and machinery. The goods are of inferior quality compared with pre-war Czech products. About 90 percent of the vehicles imported by Rumania during the past few years were of Czechoslovak make. These included during 1950-51:
- a. Approximately 3,000 Praga trucks of 3.5 tons, most of them for the Militia, Securitate or the Army.
 - b. 2,500 Skoda army vehicles  with only 32 hp. and reinforced bodies. 50X1-HUM
 - c. Skoda 4-cylinder, 32-hp passenger cars, delivered to state offices and enterprises.
 - d. Approximately 2,000 Tatra cars, eight cylinders, with the engine in the rear.
 - e. Tatrapian cars, four-cylinders, with the engine in the rear.
 - f. A limited number of Skoda 10-ton trucks (the majority of these trucks were delivered to the USSR)
 - g. A small number of motor buses and garbage and fire brigade trucks.
7. Industrial machinery imported by Rumania from Czechoslovakia included complete installations for a telephone exchange, supplied by the Tesla Works and delivered to the Rumanian Railroads. The exchange contains 2,000 numbers and has been installed in the Carpati building in Bucharest.
8. Imports were held up by such difficulties as the following:
- a. The delivery period for a complete factory installation is approximately three to four years.
 - b. Elaborate formalities are followed, including the approval of finance and planning ministries and the State Bank for such transactions.
 - c. The general development plan undergoes continuous amendment, so that an average of 30 to 40 percent of the orders are cancelled and replaced by orders for different items.
9. The staff of the Czechoslovak Embassy in Rumania has changed constantly during the past two years and is now staffed with officials who are only partly qualified. In 1950 the former diplomats were replaced by other officials and later, at the end of 1950 and in 1951, former Czech workers who had attended diplomatic courses were sent as representatives to various countries. These representatives are always reluctant to be recalled to Czechoslovakia as they do not relish a return to ordinary labor after having become diplomatic officials.
10. Because of the many sudden changes in the Rumanian Government and state enterprises, one of the chief diplomatic problems is to be sure which Rumanians are still in office and can be invited to official functions.

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