

CENTRAL INTELLIGENCE AGENCY  
**INFORMATION REPORT**

REPORT

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COUNTRY East Germany

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SUBJECT Decision of the Council of Ministers on  
the East German Civilian Fuel Supply

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East German coal situation

1. In the first ten months of 1954, the coal industry produced less than the amounts called for in the 1954 Economic Plan as follows: 25X1

Crude lignite,	about	6,000,000	tons	
including:				
Siebkohle (sifted coal)	about	2,000,000	tons	
Briquettes	about	1,000,000	tons	25X1

2. The reasons given for this lack in production included:

- a. the failure of certain new enterprises (Kapazitaten) in the coal industry and in the power economy to start operation according to the Plan; the production of about 5,000,000 tons of crude lignite was not achieved; 25X1
- b. the Plan for production of Siebkohle was not fulfilled;
- c. about 450,000 tons of briquettes were not produced since the sale (Abnahme) thereof was limited (begrenzt).

3. In the coal industry enterprises, Kampfplaene were instituted with the goal of resolving the deficits caused by the frost and flood periods. These Kampfplaene were established by resolutions of the Council of Ministers on 28 January 1954 and 12 August 1954. The deficits in briquette production were resolved by the older briquette factories, except for Espenhain. In the newly erected briquette factories, new drops in production, which cannot be explained, have occurred because of belated equipment installation and because of technical defects connected with the start of operations. The new enterprises in the open-pit mining field were also put into operation belatedly, especially in the open-pit mining works of the lignite plants "Freundschaft", "Franz Mehring", "Schnee", and "Wald".

4. The maximum production possible in the last two months of 1954 would consist of:

Crude lignite	about	2,000,000	tons	25X1
including:				
Siebkohle	about	2,000,000	tons	

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8,100,000

... had not been contractually assured. The economy (Wirtschaft) and the Reichsbahn (Verkehr) will be approximately as follows:

Crude lignite	about 15 days
Briquettes	about 12 days

5 On the basis of this situation, concerning the procurement of solid fuels, the Presidium of the Council of Ministers on 11 November 1954 resolved the following:

a... The Minister for Heavy Industry was to be responsible for:

1. Insuring that consultations regarding production would be held in the months of November and December in order to attain the maximum increase in coal and briquette production.
2. Insuring that the Main Administration for Lignite held a scheduled meeting of the Activist Committee (Aktivistenkommission) on 12 November to attain the goal mentioned in 5 a (1) above. At the same time, manpower of this Main Administration was to be concentrated in those open-pit mining areas which deliver to consumers outside of the jurisdiction of the Ministry for Heavy Industry.

3. Shortening the time consumed in repairing machinery and rolling stock through the introduction of quick-repair methods (Schnellreparaturmethoden) in all lignite plants and of quick-repair brigades (Schnellreparaturbrigaden) for the repair of open-pit mining equipment.

4. [Redacted] series of crude lignite, Steinkohle, and briquettes to correspond to the fuel balance established by this resolution.

5. Initiating contracts for the first quarter of 1955, between the delivering plants and the branch offices of DMZ Kohle. In this respect, the expected requirements (Bezugsansprueche) of the branch offices of DMZ Kohle were to be established by 20 December 1954.

b. The Minister for Railway Affairs was to be responsible for:

1. The uninterrupted supplying on a priority basis of required freight space for solid fuels, especially in view of the intended increase in rail shipments.
2. Installing of Reichsbahn expeditors (Dispatcher) in the central coal shipping points in order to expedite coal shipments.
3. Instructing the coalfields of "Glueckauf", "Freiheit", and "Gross-Kayna" that they were to be allowed to ship coal destined for enterprises of the Ministry for Heavy Industry without weighing it. The Ministry for Heavy Industry was to instruct its consumer enterprises to accept such shipments of unweighed coal.
4. Insuring that the usual tax on supplementary orders for freight cars was to be waived during this period of increased activity in the coal fields.




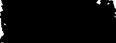


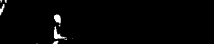


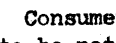


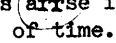

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5. Investigating the present premium system for the saving of solid fuels with the object in mind of arousing a maximum increase of interest on the part of locomotive engineers and firemen in this saving of fuel.
- c. The Minister for Foreign and Domestic Trade was to be responsible for:
1. Insuring that the import of pit coal in November and December, in amounts corresponding to the State Plan, is carried out. It was pointed out that under-realization of these imports would have an effect on the export of Briquettes.
  2. Concluding contracts for the first quarter of 1955 for the import of pit coal, pit-coal coke, and crude lignite. In the first quarter of 1955, a minimum of 1,800,000 tons of pit coal was to be imported; of this amount 650,000 tons were to be imported in January 1955. The results of these efforts were to be reported to the Office of the Minister-President by 12 December 1954.
- d. The Chairman of the State Committee for Material Procurement was ordered to:
1. Send, by 20 November 1954, to the Office of the Minister-President a report on the results of the checks made in the enterprises regarding work on fuel consumption norms.  solid fuels, which 
  2. Prepare ways and means for carrying out the  mentioned checks in the first quarter of 1955.
  3. Handle all shipment notices (Bevorratung) for the following:
    - (a) Crude lignite. Consumers up to 100 km. distant from the delivering plant were to be notified eight days in advance. Consumers more than 100 km. distant  to be notified 15 days  in mountainous areas  like, where in the  extraordinary difficulties  in shipping, prior notice  8 weeks ahead of time .
    - (b) Briquettes. Consumers up to 100 km. distant from the delivering plant were to be notified six days in advance. Consumers more than 100 km. distant were to be notified 10 days  in mountainous areas and the like, where in the  extraordinary difficulties  in shipping, prior notice  4 weeks ahead of time.
  4. Send an intermediate report to the Office of the Minister-President, by 30 November 1954, on the results of the checks made in the enterprises regarding work on fuel consumption norms.
- e. The Minister for Trade and Supply was ordered to insure the allotment of coal to the population, in accordance with their ration requirements, for the remainder of 1954 and for the first quarter of 1955, and to inform the people on this subject.
- f. The Chairman of the State Contracts Court (Staatliches Vertragsgericht) was made responsible for the checking on contracts concluded for the first quarter of 1955 between the lignite mines and the briquette factories on the one hand and DHZ Kohle or the direct consumers, on the other hand. A report was to be sent to the Office of the Minister-President, by 1 December 1954, on the status of the conclusion of contracts for the first quarter of 1955.

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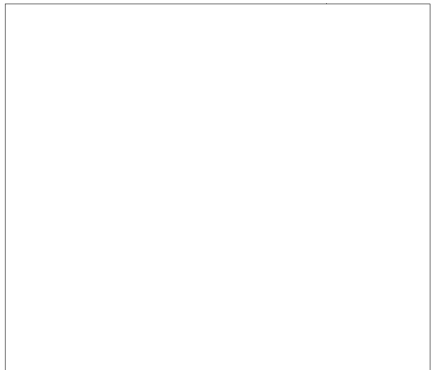
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[Redacted] Ministers, State Secretaries with Independent Jurisdiction  
men of the various Bezirke Councils were made responsible  
for creating standards for fuel consumption norms (Brennstoffverbrauchsnormen)  
and for establishing "Persoenliche Konten", and for dispatching these standards  
to all consumers by 31 January 1955 at the latest. The basis for work on  
fuel consumption norms was the directive on this subject, issued on 24  
August 1954 by the State Committee for Material Procurement. The fire-  
men's competition in the use of crude lignite in place of lignite briquettes  
and in the saving of solid fuels was to be gotten under way.

*for* h. The Minister of Labor and the specially-authorized government  
[Redacted] with the coal industry were ordered to recommend to  
[Redacted] by 1 December 1954 a number of firemen (Heizer) and  
[Redacted] designated as "models" in the competition in the  
[Redacted] It was suggested that the competition mentioned in paragraph 5 g of  
this report, which is to run until 31 December 1954, be continued in the  
first quarter of 1955.

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