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INFORMATION REPORT

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1. On 4 August 1952, [] a special Bauunion firm for executing airfield construction projects was to be established before the end of the year. 25X1

2. On 27 September, it was officially announced that four new Bauunion firms, including the Bauunion Nordost in Prenzlau and the Bauunion Sued, had been established for the execution of special construction projects.¹

3. [] the Bauunion in Dresden [] had a branch enterprise in Pizna charged with an undetermined mission.² 25X1

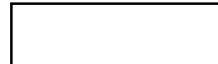
4. On 1 September, the Bauunion in Dresden was split into the Bauunion Dresden and the Bauunion Sued.²

5. On 17 September, personnel of the Bauunion in Brandenburg were under the impression that a reorganization of the Bauunion firms was imminent. Most of the various Bauunion firms were to be converted into so-called Building Combines (Baukombinate) equipped with a machine park of their own, whereas the Bauunion firms usually had to hire the necessary construction machines from the VEB Baumechanik (Nationalized Construction Machines Stations). The Baukombinate would represent large nationalized construction firms. So far, it has become known that three Baukombinate are to be formed, including the Baukombinat Nord for the execution of the naval construction project on Ruegen Island, and the Bauunion Sued in Dresden for the execution of airfield construction projects. The designations Nord and Sued were, allegedly, not chosen with reference to a regional demarcation of mission, because the various Baukombinate were to specialize on specific types of projects.³

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6. On 11 October, the Bauunion Firms Nord, Nordost and Sued, which previously were assigned to the Construction Department of the East German Ministry of the Interior, were re-attached to the State Secretariat for the Building Industry, because no budgetary means had been provided for them at the Construction Department. The three Bauunion firms which were charged with the execution of VP construction projects were to be placed under the administration of the Construction Department on 1 January 1953, the beginning of the new fiscal year.¹

- 25X1 1. Comment. The report indicates that after the end of 1952 all construction projects connected with the formation of an East German Army will be planned by the Construction Department of the East German Ministry of the Interior and executed by the Bauunion Firms Nord, Nordost, and Sued. According to available information, the future Ministry for the National Forces, for reasons of concealment, is still incorporated in the East German Ministry of the Interior. It is therefore believed that military construction projects handled by the Construction Department of the Ministry of the Interior, are assigned to a special section of this department. Available information indicates that the Bauunion Firms Nord, Nordost, and Sued are charged with the execution of naval, army, and air force construction projects respectively. For the execution of the Eggesin-Prenzlau construction project, the Bauunion Nordost is assisted by some other Bauunion firms.
- 25X1 2. Comment. It was previously reported that the Sonnenstein castle near Pirna houses an air force design bureau, which primarily employs German specialists returned from the U.S.S.R. Moreover, work on the construction of an aircraft plant is said to be started soon in Pirna. The construction work connected with these projects will probably be executed by the Pirna branch plant of the Bauunion in Dresden.
- 25X1 3. Comment. This indicates that the Bauunion Firms Nord, Nordost, and Sued will be provided with an extensive park of construction machinery.

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