

## **8. NATO Reorganisation: Press Communique 3 May 1951(...)**

### **NATO Reorganisation Press Communiqué**

The North Atlantic Council Deputies announce today the adoption by their Governments of new terms of reference for the North Atlantic Council, which will hereafter incorporate the Defence Committee and Defence Financial and Economic Committee, and thus becomes the sole ministerial body in the Treaty Organisation.

The Council Deputies announce at the same time the creation of a Financial and Economic Board, located in Paris

The North Atlantic Council, as originally established, was composed of the Foreign Ministers of the nations party to the North Atlantic Treaty.

Two other ministerial committees were organised, a , Defence Committee composed of Defence Ministers and a Defence Financial and Economic Committee composed of Finance Ministers.

The only full-time agencies functioning during the early months of NATO were the Standing Group (made up of representatives of the Chiefs of Staff of France, the United Kingdom and the United States) and the permanent working staffs of the Defence Finance and Economic Committee and of the Military Production and Supply Board, a subordinate Organisation of the Defence Committee.

Experience soon demonstrated the need for a central, continuously functioning body to ensure coordination between the work of the various Treaty agencies and to facilitate the implementation of agreed plans.

The Council in May, 1950 therefore established the Council Deputies, who first met in July of that year.

### **THE CANADIAN PROPOSAL**

Experience also demonstrated the need, particularly as emphasis shifted from planning to the implementation of plans for a simpler organisation with clear lines of authority, for fewer committees and more full-time operating agencies.

In the autumn of 1950 the Canadian Government proposed reorganisation of NATO to meet this need, and in December the Council authorised the Deputies to study and recommend the necessary changes. The result is the structure announced today.

### **THE REORGANISED COUNCIL**

As before, the Council is the principal body in the North Atlantic Treaty Organisation and is “charged with the responsibility of considering all matters concerning the implementation of the provisions of the Treaty”.

The reorganized Council however, incorporates not only the Council envisaged by Article 9k of the Treaty but also the Defence Finance and Economic Committee.

Both the latter cease to exist as separate entities.

The Council will continue to be composed of persons of ministerial rank, although in exceptional circumstances member governments may be represented by other persons duly designated for the purpose.

Heads of governments may attend meetings of the Council in person. Otherwise, governments will be represented by their Minister for Foreign Affairs and/or the Minister of Defence, or by other competent Ministers especially by those responsible for financial and economic affairs, according to the nature of the agenda.

As hither to, the Council will meet annually in ordinary session and such other time as may be deemed desirable by the majority of the Parties.

### **LOCATION OF SESSIONS**

Location of each session will be determined by the Chairman after consultations with the other parties. For general convenience, the ordinary annual session will normally be held at about the same time and in the same geographic area as the annual session of the General Assembly of the United Nations.

Other ordinary sessions will normally be held at some convenient location in Europe.

### **CHAIRMANSHIP**

The Chairmanship of the Council will continue to rotate in alphabetical order. Monsieur Paul van Zeeland, Foreign Minister of Belgium, is the present Chairman. In order;

### **ARTICLE 9**

The Parties hereby establish council, on which each of them shall be represented, to consider matters concerning the implementation of this Treaty.

The council shall be so organized as to be able to meet promptly at any time.

The council shall set up such subsidiary bodies as may be necessary.

In particular it shall establish immediately a defence committee which shall recommend measures for the implementation of Articles 3 and 5.

### **THE COUNCIL DEPUTIES**

In order that the Council may effectively carry out its responsibilities and exercise them continuously, each government is represented by Council Deputy. Each Deputy represents all Ministers concerned with NATO matters in his Government and its responsible to such Minister or Ministers as his Government may determine. The Council Deputies, located in London, constitute the permanent Working organization of the North Atlantic Council.

When the Council is not in session, the Deputies carry out its policies, recommend to Governments the measures necessary to this end, formulate issues requiring decisions by the Council or by member Governments otherwise constitute a body which may register the approval of their Governments on matter before them for consideration.

The Deputies will also:

- (a) be responsible among other things for coordinating the activities of and giving guidance to all other permanent organs of the North Atlantic Treaty Organization;
- (b) exchange views on political matters of interest within the scope of the Treaty;
- (c) promote and coordinate public information activities in furtherance of its objectives.

The Chairman of the Council Deputies, in addition to presiding at their meetings, is responsible for directing the permanent working staff of the organization.

## **MILITARY STRUCTURE**

With the exception of the incorporation of the former Defence Committee into the Council, the military structure remains unchanged. The Council Deputies will deal directly with the Military Committee and, when that body, is not in session, with the Standing Group on political matters having military implications. It will provide those bodies with political guidance upon which strategic decisions should be based. The Standing Group will maintain close liaison with the Council Deputies and provide that body with advice on military matters.

## **DEFENCE PRODUCTION BOARD**

The Defence Production Board, which was established last December and has its headquarters in London, replaced the Military Production and Supply Board and the subsidiary agencies of that committee. It has as its general objectives the achievement of the maximum production of military equipment in the most efficient manner, at the least cost, and in the shortest time to meet the military material requirements of NATO. These objectives will be sought by coordinating national production programmes so that they will together fulfil NATO-wide production objectives. The Board is directed to concentrate its activities on those aspects of military production and procurement which involve major problems of international cooperation among the NAT members. A unified international staff has been organized to serve the Board under a Coordinator of North Atlantic Defence Production, who is ex-officio a member of the DPB.

### **CREATION OF THE FINANCIAL AND ECONOMIC BOARD**

The creation of the Financial and Economic Board (FEB) is another step toward simplifying and making more effective the executive organization of NATO. In this respect, it follows the precedent established in the setting up of the Defence Production Board.

According to its terms of reference, the new FEB “shall be responsible for considering and making recommendation upon financial and economic problems arising in connection with NATO defence programmes and upon the best use of financial and economic resources in member countries in support of the common defence effort. It shall advise the other NATO bodies under the Council Deputies on all relevant economic and financial questions arising out of their work.” The FEB will ordinarily address its recommendations to the Council Deputies, but in specified cases these may be sent direct to member governments.

The FEB will succeed to the functions and responsibilities previously belonging to the Permanent Working Staff of the Defence Financial and Economic Committee, the Advisory Group on Raw Material Problems, and the Economic and Financial Working Group, which was set up some months ago in Paris.

Among its other tasks, it has been assigned the duty of reporting to the Council Deputies on the financial and economic aspects of the progress of defence programmes in member countries. It will also “maintain close contact with the work of other international organizations dealing with financial and economic problems and in particular with the Organization for European Economic Cooperation (OEEC), having in view the need to avoid duplication of effort.”

The FEB will be based in Paris so that it will be able to draw on the experience and skills of the OEEC. It is expected that governments will be represented on the FEB by senior members of their delegations to OEEC, so that close coordination of the activities of these two bodies will be assured.  
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