

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Friday, December 7, 1945

Press Service
No. V-155

A sweeping relaxation of the freezing control was just announced by Secretary Vinson. Under General License No. 94 issued today, all countries except Portugal, Spain, Sweden, Switzerland, Liechtenstein, Tangier and, of course, Germany and Japan will hereafter be treated in practically all respects as non-blocked countries under the freezing Order. All controls are removed over current transactions with the countries covered by the new general license. Americans may hereafter engage in financial and commercial transactions with persons in these countries as freely as with persons in Great Britain, Canada, or other countries of the Western Hemisphere. However, existing blocked accounts of persons within the licensed countries are not freed by this license.

The Treasury action did not change the status under the freezing Order of Portugal, Spain, Switzerland, Sweden and Liechtenstein. These countries cannot be accorded the privileges being made available to other countries until they have taken effective action to search out, immobilize, and control all enemy assets within their jurisdiction, and until a satisfactory solution has been reached concerning the disposition of these enemy assets.

Treasury officials explained that controls over existing blocked accounts of persons within the licensed countries remain in effect for the time being in order to ensure that camouflaged enemy assets are not released. General licenses have already been issued to France and Belgium which provide for the certification by French and Belgian authorities of blocked property after their investigation has shown that the property is actually French or Belgian owned. Property so certified is no longer regarded as blocked property. Negotiations similar to those which preceded the issuance of the general licenses to France and Belgium are under way with other liberated countries. It is expected that licenses will shortly be issued to provide for the certification and release of their property. Blocked Italian, Bulgarian, Hungarian and Rumanian property is in a separate category because of the declaration of war by the United States against those countries.

The Secretary emphasized that the general license issued today permits the immediate resumption of normal financial and commercial relations with the licensed countries so far as the freezing regulations are concerned. United States banking facilities may be used to finance

all transactions between the licensed countries and between these countries and any non-blocked countries. Financial instruments and documents, currency and securities, and instructions relating to property interests may be sent to the licensed countries. Persons in those countries may buy and sell dollar exchange and exchange of the countries may be freely dealt in by persons in the United States. No limitations remain on the amount of money that may be remitted to the licensed countries nor on the purposes or method of the remittances. In addition to having the unrestricted use of all dollar assets hereafter accruing, persons in the licensed countries may also use their presently blocked accounts for any purposes authorized under outstanding Treasury licenses without having to effect such transactions in any prescribed manner.

Most of the restrictions imposed on securities by the freezing Order are removed with respect to the licensed countries and their nationals. Securities are no longer subject to freezing controls merely because they bear the stamp of any of the licensed countries. Securities accounts of financial institutions within the licensed countries are no longer subject to General Ruling No. 17. However, securities imported from most foreign countries are still subject to General Ruling No. 5.

Tangier is not for the present one of the licensed countries, since the provisional international regime in Tangier has only recently been established and is currently investigating problems relating to the control and disposition of enemy interests.

The effective date of General License No. 94, it is pointed out, is December 7, 1945, except that for France and Belgium it is, respectively, October 5 and November 20, the dates on which the French and Belgian defrosting licenses were issued.

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