

**CENTRAL INTELLIGENCE AGENCY
INFORMATION REPORT**

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1. The Resita Steel Combine is considered to be the largest steel works in southeastern Europe. Its monthly production, based on figures from January through March 1954, amounts to approximately 20,000 tons, which includes about 17,000 tons of rolled steel and about 3,000 tons of raw steel. Approximately 8,500 tons of rolled steel are being processed and used in the Combine proper. About 5,000 tons are used for industrial products, 3,000 tons are allotted for the Combine's own use in construction, repairs, etc., and approximately 500 tons are written off for waste and scrap. The other half of the monthly rolled steel production (8,500 tons) is supplied to the metal processing industry of the country. Of the 5,000 tons of rolled steel allotted to the Combine for the production of industrial consumer goods, about 3,000 tons are assigned for reparations deliveries to the USSR and 2,000 tons are used for Rumanian exports.
2. In February 1954, the Resita Combine delivered the following products to the USSR:
 - a. 1,200 tons of railroad tracks, railroad switches, and steel parts for bridges;
 - b. 400 tons of railroad axles and wheels;
 - c. 100 tons of ball bearings (American patent, 1952 type);
 - d. 800 tons of oil tank cars;
 - e. 200 tons of oil well equipment; and
 - f. 150 tons of various pumps and machines.

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(NOTE: "X" denotes distribution indicated by "X"; field distribution by "#")

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3. The deliveries to the USSR in March 1954 followed approximately the February program. For April 1954, the delivery plan was changed considerably. The USSR demanded delivery of small tonnage fishing craft, a floating dock with an 8,000-ton water displacement, oil well equipment in particularly large quantities, steel rolling equipment, steel pipes, railroad axles, and ball bearings. Although reparations deliveries to the USSR have been completed, the Soviets made additional claims at the beginning of 1954 for alleged losses, improper deliveries, bad quality, etc. These claims are now being satisfied.
4. Out of the 2,000 tons allotted for domestic needs, the Resita Combine produces engines, bridge parts, oil well equipment, agricultural machines, crankshafts for ship building, light river boats and war ships, mortars, artillery shell casings, and mine casings for river and sea mines. Of the 8,500 tons of rolled steel which the Resita Combine supplies to the Rumanian metal processing industry, a considerable percentage goes into the manufacture of products delivered to the USSR. Accurate figures and data could not be obtained.
5. Steel is supplied to the following Rumanian industries:
- a. The Republica Rolled Pipe Plant, Bucharest;
 - b. The Vasile Roaita Plant, Bucharest, which produces agricultural machines;
 - c. The Vulcan and Steauna Rosie plants, Bucharest, which produce almost exclusively steel parts for bridges and steel oil tanks for oil refineries;
 - d. The Steagul Rosu Plant, Brasov (Stalin), which produces railroad cars and oil tank cars. About 65% of the production goes to the USSR.
 - e. The Brainer Bela Combine, Brasov (Stalin), which produces hand grenades, artillery shells, and anti-tank guns;
 - f. The Hunedoara Combine, Hunedoara, Transylvania, which produces heavy machine parts and metal structures;
 - g. The 6 Martie and the 23 August plants (formerly Malaxa), Bucharest, which produce parts for arms, heavy guns, munitions, and engines;
 - h. The Cugir Plant, near Hunedoara, which produces optical instruments and bomb sights for military purposes.
6. In 1950, the Resita Combine delivered as reparations to the USSR 4,000 tons of railroad axles; 3,200 tons of railroad switches; three railroad bridges, each 55 meters long; two bridges, each 87 meters long; 18 Soviet ER 0-5-0 type engines; steel tanks for oil refineries for 15 and 25 atmospheric gauge pressure; drilling equipment, oil and water pumps; steam shovels. In 1951, the Resita Combine delivered to the USSR 168 Soviet ER 0-5-0 type engines and an entire steel rolling plant, the production cost of which amounted to \$600,000, but which was priced at only \$350,000 by the Soviet Commissar.

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