

- 1. The Dutch have secretly formed a shipping monopoly involving the time following shipping companies: Koninglijke Paketvaart Maatschappij (KPM), Java China Pacific Line (JCPI), Stoomvaart Maatschappij Nederland and Rotterdamsche Lloyd. Any stranger wishing to ship in Indonesia must pay a royalty of 45 percent to the pool.
- 2. The East Indonesians' effort to set up their own company, the Usaha Kita Bersama, with their own ship, the MANIPI, has resulted in the MANIPI being kept at anchor in Makassar.
- 3. Motor boats trying to go to Portuguese Timor are subjected to ragorous search at Makassar on the return journey to Batavia or Singapore.
- 4. Certain harbors in Sumatra have been opened by the Dutch for barter trade. This activity is permitted by the Dutch provided no produce of alien-owned plantations is smuggled out. Harbors opened for barter trade are:
 - a. Tandjungkarang, Southern Sumatra, which is regularly visited by a.250-ton motor vessel, ANNIE, from Pasar Ikan, Batavia. The managing proprietor of the ship is GOUW Keng An, Kongsi Besar No. 67, Batavia.
 - b. Pakanbaru, east coast of Sumatra, visited fortnightly by the motorboat, HONG THONG.
 - c. Rengat, Djambi area, and Djambi proper, visited respectively by the motorbbattHONG SOON and HONG TAT. Both belong to the Ho Hong Steamship Company, Ltd., 65 Chulia Street, Singapore.
- 5. In Benkulen there are over 5,000 tons of rubber, 1,000 tons of rattan (obtained from Mukomuko and other remote areas of the west coast of Sumatra), 1,000 tons of pepper, and 150 kilograms of gold ready for spipment.

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- 6. HohMohammed Hatta and Dr. Sarono do not agree on the exporting of pepper, rattan, and rubber from the Lampong districts. Dr. Sarono feels that these should not be exported, but Hatta has remained firm in his decision to export them.
- 7. An unknown amount of rubber has been dumped in Djambi, most of which from from filen-owned plantations. This rubber is guarded by one of the battalions of the brigade of the Tentera Nasional Indonesia which has been assigned to to the defense of Republican areas shong Sumatra's east coast. In Middle Sumatra dumps of rubber at Sibolga, Enda Napinuli remain intact in spite of the recent political disturbances in this area.
- 8. Dutch patrol boats, operating from Tandjungpinang on Bintan Island are observing closely any movement in the Strait of Berhala and along in Amphitrite Bay as far as Tandjungbalai in the Karimun Islands. Smugglers are handicapped by the well-équipped Dutch patrol boats.

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