



General Assembly

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UNITED NATIONS CONCILIATION COMMISSION FOR PALESTINE

SEVENTEENTH PROGRESS REPORT

(For the period from 1 June 1959 to 31 August 1959)

Note by the Secretary-General: The Secretary-General has the honour to communicate to the Members of the United Nations, in accordance with the provisions of paragraph 6 of General Assembly resolution 512 (VI) of 26 January 1952, the eleventh progress report of the United Nations Conciliation Commission for Palestine.

INTRODUCTORY NOTES

1. As indicated in its previous reports, the Conciliation Commission, during the last few years, has directed its efforts principally to the programme of identification and valuation of Arab refugee immovable property holdings in Israel and the release of Arab refugee bank accounts and safe deposits blocked in Israel. The release operation in regard to Arab refugee bank accounts and safe deposits has proceeded satisfactorily while the technical work of identification of immovable property is virtually completed and the work of valuation has already begun. The Commission deems it appropriate at this stage to submit a report reviewing the progress made to date.
2. In its resolution 512 (VI) of 26 January 1952 on Palestine, the General Assembly expressed the view that the Governments concerned had the primary responsibility for reaching a settlement and that the Conciliation Commission for Palestine should be available to assist the parties to that end. In urging the Governments concerned to seek agreement, the General Assembly recommended that they make full use of United Nations facilities.
3. Following the adoption of that resolution, while remaining at the disposal of the Governments concerned for any assistance it could render, the Commission concluded that in existing circumstances it could best lend its assistance to the parties by seeking the release of Arab refugee bank accounts and safe deposits blocked in Israel and by compiling all available data for identification and valuation of Arab refugee property. The Commission's decision was encouraged by the fact that at the Conference in Paris in 1951 a certain area of agreement had emerged from the general negotiations and further progress seemed possible on these two specific questions.
4. The Commission thus took note of the reaffirmation by the delegation of Israel at the Paris Conference on 14 November 1951 that Israel was ready to contribute to the settlement of the question of compensation for Arab property abandoned in Israel and of its suggestion that concrete discussions on the question of evaluation should be held immediately with the Commission or with any other United Nations body designated for the purpose. At its meeting on 28 April 1952, the Commission decided to ask the Land Specialist of its refugee office to proceed to Jerusalem to undertake discussions on a technical level with the competent Israel authorities with a view to reaching agreement on the procedure and substance of the proposed discussions. No progress, however, was made towards initiating these discussions.
5. During his trip the Land Specialist was also instructed to sound out the possibilities of undertaking an examination of the extent, location and value of individual Arab refugee property holdings. He held discussions both with Israel authorities and with interested Arab circles. The results of these discussions led the Commission to decide that this technical work should be started without delay. He was therefore instructed to set up the necessary machinery for the task. In accordance with the suggestions made by the Land Specialist, the Commission in late 1952 set up at Headquarters in New York an office for identification and valuation of Arab immovable property. Since then, the office has been engaged in the tasks of identification and, currently, of valuation, of the immovable property.

I. DESCRIPTION OF THE TECHNICAL WORK OF THE
IMMOVABLE PROPERTY OF ARAB REFUGEES

A. Identification

6. As mentioned in the Commission's last report, the essence of the identification work consists in preparing a separate record form for each parcel of land owned by Arab individuals including partnerships, companies and co-operative societies, giving its most important particulars. Somewhat similar forms of a different colour were prepared for parcels of land which were owned by religious bodies. Lists were also prepared of State Domain, Jewish and other parcels not owned by Arab individuals, giving their areas.

7. Record forms have also been prepared for parcels falling under the categories mentioned below, but in each case the form makes the exact status clear:

(a) Parcels which were recorded as State Domain but which were subject to transfer to Arabs on the payment by them of the unimproved value of the land (badl mithl);

(b) Parcels which were recorded as State Domain but which had been occupied by Arabs for many years and which the Mandatory Government regarded as let to the occupiers under implied leases;

(c) Parcels which were recorded as State Domain and which were let to Arabs under long-term leases;

(d) Parcels which were owned by non-Arabs but which were let to Arabs on long-term leases.

8. The identification was extended to embrace the areas of "no man's land" in the Jerusalem-Ramle area and the "demilitarized zones" in the northern region. The border villages, that is, those whose lands were cut by the armistice lines, presented a special problem. Where the Land (Settlement of Title) Ordinance had been applied to a village, it was possible to draw the armistice line approximately on a large-scale map and to include only those parcels which fell on the Israel side. In villages to which the Ordinance had not been applied, however, there are no maps showing the location of parcels within the village boundaries, and therefore it was thought best to include all Arab-owned parcels in fiscal blocks cut by the line.

9. No attempt has been made to distinguish between properties belonging to Arabs who are refugees and those who are not. To make such a distinction would have been outside the resources of the office; and throughout the whole process the principle was adopted of including rather than excluding, on the grounds that it would be comparatively easy to exclude certain properties later on (if, for example, they were found to belong to Arabs residing in Israel, or to be on the Arab side of the armistice line in "non-settled" border villages), but difficult to include later on properties which should have been included but were omitted.

10. The purpose of the identification was to bring into existence a compact record of individual Arab land holdings in Israel, which could be used, if the parties so desired, as a basis for verifying individual claims to ownership, and which would contain the material necessary to value each holding.

B. Valuation

11. Valuation is a natural corollary to identification. Land differs from most commodities in that the unit (hectare, acre or dunum) can vary so enormously in value that any description would not be complete without a valuation. For instance, figures from 2 to 100,000 Palestine pounds per dunum were quoted in official Palestine Government correspondence in 1946.

12. The valuations will be based on the information contained in the record forms mentioned above, and the value at which the office will seek to arrive is the market value of each individual property as at 29 November 1947. This date, on which the General Assembly adopted resolution 181 (II) on the future government of Palestine, was chosen because it was the last date before the exodus of refugees when land values in Palestine was reasonably stable. The evidence on which the valuations will be based is the official records of prices realized in sales which took place between 1 January 1946 and 29 November 1947. Obviously, only a small proportion of properties were sold during the period of approximately two years mentioned above, and it was necessary to devise some means for relating the values established for properties which were sold to similar properties in the same location which were not. For this purpose it was considered that the tax categories of land in rural areas and net annual values as assessed for urban property tax in urban areas were the most reliable guide, and they are therefore being used in conjunction with the effective sale prices mentioned above.

C. Documents

13. The documents examined by the office were all official records of the former Mandatory Government of Palestine. They included:

(a) Microphotographs of registers of title supplemented by the original registers when the microfilm was missing or defective;

(b) Registers of deeds;

(c) Tax distribution lists and, failing these, taxpayers' registers;

(d) Field valuation sheets and, failing these, valuation lists and taxpayers' registers;

- (e) Schedule of rights (only in respect of blocks for which no registers of title had been prepared);
- (f) Parcel classification schedules;
- (g) Land registrars' returns of dispositions;
- (h) Village maps and block plans.

To the above must be added some other related records of relatively minor importance which were examined when necessary.

14. The microfilm was photocopied in London from the original set then in possession of the United Kingdom authorities, and was taken to New York and thence to Jerusalem. It was not always possible to have the other documents brought to the Commission's office in Jerusalem, and they were therefore examined in localities such as Damascus, Gaza, Amman and Tel Aviv.

D. Information extracted

15. The information which the office sought to complete on the record form for each Arab-owned parcel was as follows:

- (a) Location (sub-district, town or village, locality, registration or fiscal block number, parcel number);
- (b) Area (in metric dunums and square metres);
- (c) Description (nature of the land, e.g. arable, plantation, building, etc., description of buildings with number of rooms, etc.);
- (d) Names of owner or owners;
- (e) Shares (where there was more than one owner the share of each partner is given in the form of a fraction);
- (f) Rural property tax category (under the Rural Property Tax Ordinance, rural land was divided for taxation purposes into seventeen categories, ranging from the most valuable, i.e. citrus plantations, to the least valuable, i.e. uncultivable land);
- (g) Urban property tax assessment (under the Urban Property Tax Ordinance, urban property was assessed for taxation on the basis of its net annual value; where the land was not built upon, its net annual value was a prescribed percentage of its capital value as building land);
- (h) Encumbrances (including charges such as mortgages, leases and attachments);
- (i) Particulars of any sale which took place between 1 January 1946 and 29 November 1947, whether of the property as a whole or of shares in it, including the financial consideration as declared by the parties and as assessed by the registrar of lands.

16. The following table shows from what sources the different items of information were extracted for various classes of property. (By "settled land" is meant land to which the title had been settled under the Land (Settlement of Title) Ordinance; by "non-settled land" is means land to which the above-mentioned Ordinance had not been applied - by "rural" and "urban" is meant the areas to which the Rural Property Tax Ordinance and the Urban Property Tax Ordinance had been applied respectively.) The letters in the table below relate to the documents listed under C above.

Items	<u>"Settled" land</u>		<u>"Non-settled" land</u>	
			<u>Rural</u>	<u>Urban</u>
1. Location	a,d,e	c		b,d
2. Area	a,d,e	c		b,d,h
3. Description	a,d,e,f-			b,d
4. Names of owners	a,d,e	c		b,d
5. Shares	a,d,e	c		b,d
6. Rural property tax		a,d,e	c	-
7. Urban property tax assessment	d	-	d	
8. Encumbrances		a,e	-	b
9. Sale particulars.	g	b,g	g	

E. Present status of the technical work

17. The work of identification is virtually complete as far as it can be carried out on the information contained in the documents mentioned in C above. About 450,000 record forms of properties owned by Arab individuals have been prepared and this must represent an overwhelming proportion of the total number of such properties. Nevertheless, it is hardly to be expected that an investigation of this kind could be complete in all respects. The principal deficiencies are mentioned below:

18. The taxation records, which were used as the basis of identification of rural lands to which the Land

(Settlement of Title) Ordinance had not been applied, gave the name of the "reputed owner" of each parcel. Unfortunately, the name or names were not always given in full and often a partnership was described in such form as "A..... and others" with no indication of the shares held by the respective partners. The areas of parcels were also approximate, while no mention of any encumbrances which might have existed was made. The same is true, to a lesser degree, of the taxation records which applied to urban areas. In regard to these latter areas, it has been found possible to make use of the registers of deeds to remedy this defect and work on these lines is being continued.

19. Uncultivable and some marginal land in rural areas was placed in category 16 under the Rural Property Tax Ordinance, and because such land was not liable to tax, the authorities did not always make a distinction in their records of villages to which the Land (Settlement of Title) Ordinance had not been applied, between land of that kind which was used in common by all the inhabitants of a village and that which was privately owned. In villages of this kind the office was obliged to use the taxation records as the basis of its identification, and was therefore unable to make the distinction.

20. The Beersheba sub-district contained about twelve and a half million dunums, most of which was desert. About two million dunums, however, were regarded as cultivable and were liable to payment of tithe (the Rural Property Tax Ordinance did not apply to this sub-district). The office was unable to discover the tithe records, which might possibly have been used for identification purposes. The registers of deeds were examined and registration therein was found to account for only about 200,000 dunums, of which some 300 parcels totalling about 64,000 dunums were registered in the names of Arabs. It is a reasonable inference that any non-Bedouin, whether Arab or Jew, acquiring land in the Beersheba sub-district would have taken steps to register it, so as to be in a position to resist possible encroachments. If this is so, the remainder of the two million dunums of cultivable land might be regarded as having been cultivated by the Bedouin. Further inquiries are being made about the land ownership position in the Beersheba sub-district generally.

21. As regards valuation, analyses have been made of the sale prices realized for rural land in two sub-districts and for urban property in three towns. This work will now be continued at an accelerated pace, and it is proposed to complete it for all the remaining sub-districts, including their urban areas, before beginning to apply the results to the valuation of individual properties. A certain number of experimental valuations has already been made by arithmetical application of the results of the analyses and the figures have been compared with the known values of the parcels concerned. The correspondence between the figures has been close enough to encourage confidence in the practicability of the method. Even better results are expected when the analysis has been extended over a wider area and further study has improved the techniques used in applying it.

F. General observations on the work of identification and valuation

22. The Commission has taken into account the fact that the General Assembly has always been concerned with the property rights of Arab refugees within the terms of paragraph 11 of resolution 194 (III) of 11 December 1948. It is obvious that in carrying out this work the Commission is not attempting to lay down a basis for an over-all settlement of the refugee problem. The work of identification and valuation is technical in nature and constitutes a prerequisite for any settlement with regard to the rights of individuals to their immovable property. One of the reasons which prompted the Commission to start the programme was that the passage of time would render the understanding of a project such as this increasingly difficult.

23. As indicated in paragraph 13 above, the material for the preparation of this work has been collected from many sources, all official mandatory records. A few of these records have not been located as yet, while some others, by their very nature, were deficient in that they did not give precise information on the names of owners, their shares and the areas of parcels. However, the Commission is confident that with records already found and made available to its staff, the validity of the work as a whole would remain unimpaired even if some of the difficulties were not overcome. Each identification and valuation of a parcel is justifiable in itself.

II. RELEASE OF ARAB REFUGEE BANK ACCOUNTS BLOCKED IN ISRAEL
AND TRANSFER OF SAFE DEPOSIT AND SAFE CUSTODY ITEMS

24. An agreement was reached in 1952 between the Conciliation Commission for Palestine and the Government of Israel for the complete release of Arab refugee accounts blocked in Israel. After certain technical difficulties had been overcome, the final release operation went into effect at the beginning of 1955. As of 30 June 1959, a total of £2,781,164 of the accounts have been released.

25. In this connexion, it should be noted that a considerable number of Arab refugee account holders have not yet withdrawn the balances of their accounts in Palestine branches of Barclay's Bank (Dominion, Colonial and Overseas) and of the Ottoman Bank. In addition, none of the Arab refugee accounts held by other holders in Israel have been released since the Government of Israel has not as yet made available the foreign exchange necessary for release of those accounts.

26. During his trip to the Middle East early this year, the Acting Principal Secretary of the Commission consulted with the Manager of Barclay's Bank in Israel and the Deputy Director of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) on efforts to be made to locate and inform various remaining account holders. As a result of these consultations, copies of a list of all outstanding account holders prepared by Barclay's Bank have been made available in principal UNRWA offices in Lebanon, Jordan, the United Arab Republic and in Gaza, and may be consulted there. At the same time a press release was issued in the area inviting holders of such accounts to apply to the British Bank of the Middle East, the Ottoman Bank, and Banque de Syrie et du Liban, for the recovery of their balances.

27. In regard to the Arab refugee accounts in other banks, the Chairman of the Commission, in a letter dated 26 March 1959 to the permanent representative of Israel, reiterated its request to be informed as soon as possible of the steps which the Government of Israel contemplates regarding the release of those accounts. During his visit to the area, the Acting Principal Secretary also held talks with Israel authorities on the matter. However, the release of those accounts has not yet been effected.

28. As regards the question of the transfer of safe deposit and safe custody items, procedures for such transfer to Jordan and Lebanon were worked out in 1955 and the operation has proceeded satisfactorily. Arrangements agreed upon in 1956 with the former Government of Syria, and on a preliminary basis, with the former Government of Egypt remain unimplemented. Although this is a normal banking operation, the Commission will remain available to provide any assistance which may be requested.

29. As of 30 June 1959 the present position in regard to the transfer of valuables is as follows:

Total of safe custody items	1,136
Boxes of parcels released	29
Dossiers of Palestine Government bearer bonds redeemed	297
Dossiers of other bonds, etc., released	263
Total of safe deposit lockers	154
Lockers released	121

30. It should be noted that very few applications have been received during the period covered in the present report.
