UNITED NATIONS CONCILIATION COMMISSION FOR PALESTINE

GENERAL COMMITTEE

RESTRICTED COM.GEN/SR.77 14 March 1951 ORIGINAL: ENGLISH

SUMMARY RECORD OF THE SEVENTY-SEVENTH MEETING

held at Government House, Jerusalem, on Wednesday, 14 March 1951, at 11 a.m.

Present:

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Mr. de Nicolay

(France)

Chairman

Mr. Eralp Mr. Barco (Turkey)

(United States)

Mr. de Azcarate

- Principal Secretary.

Consideration of preparatory work to be undertaken by the Commission's experts (Part Two of Com.Gen/17; note prepared by the Chairman of the Committee.)

At the opening of the meeting, the CHAIRMAN handed to the members of the Committee and to the Principal Secretary a note containing some suggestions for approaching the Committee's present task: that of indicating to the experts the steps to be taken for putting into operation the practical measures suggested in Part Two of the General Committee's Report and approved by the Commission. The Chairman recalled that those practical measures related to compensation and repatriation; he felt that in the first place the Committee should examine the question of compensation, and more particularly the assessment of refugee property.

To that end the first practical measure he envisaged was the establishment of a list of administrative services (of Israel, of the neighbouring Arab countries and of the ex-mandatory power) which might be able to furnish documentation to assist in the task of assessment. In that connection, the Chairman stated that he was not in favour of the suggestion which had been made for setting up a refugee liaison committee; as the work to be done would be of an approximate nature, contact with the

refugees should be limited to requests for clarification of any points which were obscure.

The PRINCIPAL SECRETARY said that as it was hoped that Mr. Berncastle would shortly be in Jerusalem it might be preferable to await his arrival before completing such a list of administrative services, as he would probably have complete information on the whereabouts of any documentation which remained in the area.

He felt that if the General Committee were to proceed with some of the suggestions contained in the Chairman's note, it might prejudice the work of the Head of the Office. Any work which might be carried out on this subject should be purely preparatory. He had not, for instance, envisaged establishing contact with any government services before the arrival of Mr. Andersen, with the exception of the Israel Custodian of Absentee Property, who might be approached with the request that he make available to the Commission in due course, for purposes of checking estimates, the documentation on which he had based his assessment of the value of Arab refugee property in Israel.

Mr. BARCO (United States) stated that it was his understanding that since the Commission had approved the four points suggested in the Committee's report, the task of proposing a concrete programme for putting those four points into practice now fell to the Secretariat experts. It would be premature for the Committee to lay down an outline of work until that had been done.

The CHAIRMAN agreed with Mr. Barco's views but pointed out that the Commission, at its last meeting, had, at the suggestion of the Principal Secretary, instructed the General Committee itself to work out more precise directions for carrying out the programme.

Mr. BARCO (United States) felt that the Commission's instructions should be interpreted in a very liberal way. The General Committee had been instructed to guide the work of the experts, but it was for the Secretariat to carry out the programme.

In his opinion, time was the essential factor. What was needed was that certain <u>information</u> should be available to the Commission within a certain <u>time</u>, and for that purpose the most important question was that of the available personnel. The Committee should be informed of the Secretariat's arrangements in that connection, and it could then assist the experts in carrying out their respective tasks.

The PRINCIPAL SECRETARY explained his view of the situation. Commission had suspended its plenary meetings and decided that the General Committee should remain in activity until their resumption. appeared to be the intention that the Principal Secretary should submit a plan for the immediate implementation of the four-point programme, and at the last meeting of the Commission he had, in fact, suggested to the Commission that, since it had been decided that the General Committee should remain in session, it might be more normal for the Committee itself to work out the details of the programme which it was responsible for carrying out during the intervening period before the arrival of the Head of the Office. There had been no suggestion that the Secretariat wished to shift the responsibility to the General Committee; it had been merely a question of the most normal procedure. The Secretariat had no special rôle to fulfil in this particular case - it had the permanent role of assisting the Commission and its Committee in every way. In fact, the term "the Commission" implied the Commission and the Secretariat, and the term "the Committee" implied the Committee and the Secretariat.

The Principal Secretary continued by pointing out that if he had submitted to the Commission, at its last meeting, a detailed plan for carrying out the four-point programme, it was probable that the Commission would have approved the plan and instructed the Principal Secretary to put it into operation. Such a procedure might have placed the General Committee in rather a difficult position. Taking into account all the aspects of

the situation, he felt it was preferable to follow the normal procedure of the Secretariat working under the auspices of an organ of the Commission.

At the request of the Chairman, the Principal Secretary then outlined his ideas as to what could be accomplished towards the implementation of the four points, pending the arrival of the Head of the Office and the resumption of the Commission's meetings.

The first point called for the establishment of an estimated total value of abandoned refugee property, and involved, as he saw it, three different factors. Firstly, the work of sampling was already being carried out by two members of the United Nations Field Service, on the basis of the UNRWA fact sheets, following a statistical method worked out by Mr. Fisher. The work was proceeding satisfactorily and it was anticipated that after six or eight weeks some result would have been achieved which would be an important element in the determination of an estimate.

Secondly, the Principal Secretary felt that Mr. Berncastle's help would be invaluable in arriving speedily at a total estimate, in view of the experience which he had gained as Chief Valuer with the Mandatory Administration, and that his arrival should be awaited before an estimate was finally arrived at. Mr. Fisher was at present in London for the purpose of ascertaining, with Mr. Berncastle, the best means of consulting the land records which had been removed to London. It might perhaps be possible for Mr. Berncastle to bring with him a photofilm of those documents.

The third step he envisaged in connection with the first point of the programme was a more formal contact - perhaps through the Chairman of the Commission - with the Israel Custodian of Absentee Property. Up to the present the Commission's economic adviser had had more or less personal contacts with that official, but the Committee would probably feel that the time had come to take up official contact with him. The Principal Secretary suggested that the reaction of the Israel Government to an official approach to the Custodian might show how sincere were that Government's official pronouncements as to its willingness to co-operate with the Commission on the question of compensation.

The second point of the programme was a strictly financial one. The Commission's economic adviser would begin immediately with the study of the financial potential of Israel, based on a consultation of available sources. The Principal Secretary than informed the Committee that for some time past he had been urging upon the Secretary-General the necessity of obtaining the services of an expert in international financial matters, preferably one with experience in international banking, who would be able to work out practical means of obtaining a loan to cover the payment of compensation. It was hoped that the services of such an expert would shortly be obtained.

The third point concerned the relationship between the compensation fund and the reintegration fund, which would have to be discussed with the Relief and Works Agency. At the present time, plans were not far enough advanced, either for the reintegration fund or for the compensation fund, to enable a formula to be worked out, and the Principal Secretary felt that in the meantime the ground should be prepared by continuing liaison with UNRWA at the administrative level. He himself proposed to visit Beirut in the near future for that purpose.

The fourth point called for plans for repatriation. A study was now being made by Mr. d'Esterno of the attitudes adopted by the parties and of the Commission's position on this question since the beginning, to form the basis for the Commission's examination of the problem. Once this study was finished the Secretariat would prepare a practical and concrete plan for limited and immediate repatriation to be kept in reserve in the event that the Commission might deem it useful.

Those were the four points which had been the subject of the General Committee's programme. There were also one or two other questions which had arisen in the Commission's discussions. One was the definition of a "refugee having a right to compensation". A study was being undertaken by Mr. Erim to aid the Commission in arriving at such a definition.

Finally, there was the question of blocked accounts. The Principal Secretary recalled that Mr. Barco, accompanied by the Commission's economic

adviser, was visiting London for conversations with government officials. On their return the possibilities would be reviewed, not only for the implementation of the plan for releasing ElOO. per account, but also for an eventual unfreezing of the entire amount of the blocked accounts.

The CHAIRMAN thanked the Principal Secretary for his exposé and thought that the studies which were now in progress would be very useful.

Mr. BARCO (United States) suggested that as the work outlined by the Principal Secretary progressed, the Committee might constitute as it were a practical working group with the Secretariat experts and from time to time review the information which was being obtained.

Regarding the Principal Secretary's reference to the financial expert who had been requested, Mr. Barco felt that the General Committee should do everything possible to urge the necessity for the immediate services of such an expert.

At the suggestion of Mr. ERALP (Turkey) the Chairman's note was handed to the Secretariat to assist in formulating its plan of work.

The CHAIRMAN said that the Committee should now decide what action was immediately necessary. He felt that the Chairman of the Commission should approach the Israel Ministry for Foreign Affairs and arrange for the appropriate departments of the government to co-operate with the Commission's experts. This might be done either by a letter or by personal contact, or both, but in his opinion it should be done at once.

The Government of Israel might be requested to designate, say, an expert on Arab property questions (the Custodian was the obvious choice there), an expert on financial questions, and a legal expert, to co-operate with the Commission. It would have been desirable, he felt, to inform the Government at the same time of the names of the Commission's experts, but it appeared that at the moment that was not possible in every case.

Mr. BARCO (United States) agreed that this approach should be made at once. The most important aspect at present was that official contact

should be established with the Custodian of Absentee Property. It would also be useful if complete information regarding Israel's financial position could be obtained from the government services concerned.

After discussion, it was decided to request the Principal Secretary to prepare a draft letter from the Chairman of the Commission to the Government of Israel, requesting the designation of experts to co-operate with the Commission on the question of compensation.

The Committee also expressed the hope that it would soon be possible to inform the Government of Israel of the names of all the Commission's experts.

The meeting rose at 12.45 p.m.