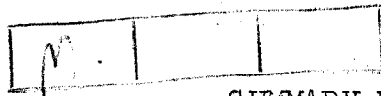


MIXED COMMITTEE OF EXPERTS ON BLOCKED ACCOUNTS

13 DEC 1950



RESTRICTED
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12 September 1949
ORIGINAL: ENGLISH

SUMMARY MEETING OF THE FIFTH MEETING

held in Lausanne, on Monday,
12 September 1949, at 4.30 p.m.

Present:	Dr. Kzcarate	Chairman
	Dr. Servoise	Economic Adviser
	Mr. Labbane	Arab member
	Mr. Youssef Selim Sekla-	Arab expert
	Mr. Sasson	Israeli member

The CHAIRMAN wished to welcome the Arab expert who had arrived from Egypt and who would, he was sure, make most valuable contributions to the Committee's work. Unfortunately, however, the Israeli expert was no longer in Lausanne. This was most regrettable as the Committee could not progress as well as it might since the experts of the two parties were not in Lausanne at the same time,

He would of course be glad to hear any suggestions members might wish to make as to the Committee's future plan of work. For his part, the Chairman thought it would be desirable for Dr. Servoise to proceed to an exchange of views with Mr. Sekla on a technical plan within the next few days, since, however, the Commission as well as its subsidiary bodies would be leaving Lausanne shortly he suggested that Dr. Servoise, who would proceed to Jerusalem with the Secretariat, should have conversations with the appropriate experts in Cairo and Tel Aviv and establish technical details. The Committee could then meet, when necessary, to take decisions of a general character.

The Chairman was of course ready to hear any proposals which would enable the Committee to proceed as rapidly as possible in view of the urgent humanitarian issues involved.

Mr. SASSON also wished to extend a welcome to the Arab expert.

Mr. SEKLA thanked both the Chairman and the Israeli member and assured them he was at the Committee's disposal.

Mr. LABBANE, recapitulating the attitude of the Arab delegations and the Egyptian Government in the matter of the unfreezing of assets, emphasised the fact that the Egyptian

Government, considering the importance of the task in hand, had, after establishing the necessary statistics, appointed a most eminently qualified person, a former Under-Secretary of State and at present Deputy Controller General in the Ministry of Finance and to the Custodian of enemy property, to represent Arab interests and had not contented itself with calling a commercial attaché from one of its embassies or legations 'in' Europe. Although the Committee had been given the assurance that the Israeli expert would be available on 24 hours' notice, that expert was not present and if Mr. Sasson did not have the necessary statistics at hand, he did not see how the Committee could continue with its work.

Mr. SASSON fully appreciated those considerations and expressed his regret that the Israeli expert was not present. He had been available for two weeks however, but had since left Europe. He himself was not in a position to give the statistics in question and furthermore was not an expert.

Mr. LABBANE informed the Committee of Egyptian legislation which, since October 11, 1948, provided that all property in Palestine held on 1 January 1948 or acquired since had to be declared to the authorities. Since similar measures were in all likelihood taken by the Israeli authorities, he asked whether Mr. Sasson was able to give the corresponding information, and whether he could give the Committee the total amount held in Palestine belonging to the Arab refugees.

Mr. SASSON replied that he was unfortunately unable to supply the figures requested.

Mr. LABBANE then stated that 3,843 applications had been submitted in Egypt, regarding assets owned as of 1 January 1948 in reply to the declaration dated 11 October 1948. The total assets declared in those applications amounted to £ 68,085,712 of which £ 56,925,398 represented currency, securities and real estate in Haifa, Jaffa, Tel Aviv and Jerusalem, and £ 11,159,674 represented similar assets in other regions. Of the figure given for the former areas, £ 42,857,242 represented real estate, and £ 14,068,156 was in currency and securities.

Mr. SASSON considered the figures given as most interesting, but remarked that the Committee had been set up to deal with funds blocked in banks, rather than with real estate and securities.

Dr. SERVOISE (Secretariat) asked whether Mr. Labbane could state what was the amount of currency blocked in Egypt and belonging to Arab residents in Israel.

What the Committee needed was a figure of cash blocked in banks, to match against the figure of £ 1.500.000 to £ 1.900.000 given by the Israeli delegation.

Mr. LABBANE was under the impression that the total figure for the blocked currency would amount to not more than £ 3.000. He suggested that Israel should publish a declaration and call for applications as his own Government had already done.

Mr. SASSON expressed astonishment that the Arab expert had agreed to the establishment of the Committee on its present terms, in the knowledge that only £ 3.000 were blocked in Egypt.

The CHAIRMAN pointed out that the essential thing was that the Committee should establish a practical procedure as a foundation for its work. In order not to waste the time of the Egyptian expert on non-technical discussions, he proposed that Dr. Servoise and Mr. Sekla should work together on the question of a procedure and report to the Committee at a further meeting.

Mr. SASSON and Mr. LABBANE agreed to the Chairman's proposal, the latter with the reservation that according to proper procedure an Israeli expert should also be present. Mr. Labbane also specified that Dr. Servoise and Mr. Sekla should discuss the formulation of a standard declaration and questionnaire, and the type of control to be exercised. The personnel to supervise the operation should, he felt, be chosen by the Commission.

In reply to Mr. SASSON, who raised the question of the continuity of the Committee's work during the Commission's recess, the CHAIRMAN suggested that Dr. Servoise, who would return to Jerusalem with the Secretariat, should proceed to Cairo and Tel Aviv and confer with qualified experts. On the basis of his discussions he could then elaborate a draft procedure, for approval by the Committee.