



# UNITED NATIONS GENERAL ASSEMBLY



Distr.  
RESTRICTED

A/AC.25/SR.301  
1 July 1953

ORIGINAL: ENGLISH.

## UNITED NATIONS CONCILIATION COMMISSION FOR PALESTINE

### Summary Record of the 301st Meeting (Closed)

Held at Headquarters, New York,  
on Tuesday, 30 June 1953, at 11.30 a.m.

#### CONTENTS

1. Adoption of the agenda
2. Report of Mr. John Reedman on the question of blocked Arab accounts
3. The question of the disposition of private Arab property by the Government of Israel
4. Other business

#### PRESENT:

<u>Chairman:</u>	Mr. ROSS	United States of America
<u>Members:</u>	Mr. ORDONNEAU	France
	Mr. BARAN	Turkey
	Mr. BARCO	United States of America
<u>Secretariat:</u>	Mr. CHAI	Acting Principal Secretary
	Mr. REEDMAN	

1. ADOPTION OF THE AGENDA

The agenda was adopted.

2. REPORT OF MR. JOHN REEDMAN ON THE QUESTION OF BLOCKED ARAB ACCOUNTS

Mr. REEDMAN (Secretariat) presumed that the Commission was fully aware of the nature of the solution accepted by the parties and would, therefore, endeavour to fill in the detail. At the time of his departure from Jerusalem on 17 June, all the necessary arrangements had been completed for resumption of the operations within two or three days. The modified forms, issued by the Conciliation Commission for Palestine, were by then in the hands of the printer, and 6,000 copies were to have been delivered to Government House on 18 June. They would be in the hands of the banks and of UNRWA officials a few days later. The UNRWA officials in Jordan had received clearance by the Government there to resume operations on the new basis, the necessary authorization having been received prior to Mr. Reedman's departure. The banks in Jordan had also received such authorization. An official of Barclay's Bank in London informed Mr. Reedman on 24 June that the manager of their branch in Nablus had received authorization from the Jordan Government to resume payments of sums transferred from blocked accounts of refugees.

No official action, similar to that of the Jordan Government, had been taken by the other governments concerned, but operations had in fact been held up by administrative action, pending the outcome of negotiations. In the case of Lebanon, for example, some 500 or 600 completed forms had been received by UNRWA, but the delivery of the forms to the Bank Control Office in the new city of Jerusalem had been held up because the Government temporarily withheld clearance through the censorship. About 70 completed forms, which had been despatched in sealed bags from Gaza were at Government House and were held there until after agreement was reached with the Jordan Government to resume operations.

Some seventy applications had been held up in Cairo in much the same manner. As soon as agreement had been reached, Mr. Reedman had cabled the UNRWA representative in Cairo, asking the latter to point out to the

Egyptian authorities the advantage of not returning to the applicants the seventy or so applications involved. He had subsequently received a cable saying that the forms already completed would be despatched to Jerusalem on the next available UNRWA plane.

In the case of Syria, as the members of the Commission were aware, there had been a rather alarming message from the UNRWA representative in Damascus suggesting that the Syrian authorities were antipathetic to the scheme as a whole. Mr. Reedman had rather doubted that, but had gone to Damascus and had learned from the Director of Refugee Affairs there that his action in requesting UNRWA to return the forms held by them was merely precautionary pending the outcome of the negotiations being conducted by the representative of the Conciliation Commission for Palestine. That had been before the adoption of the solution which had finally emerged, and the UNRWA authorities in Damascus had undertaken to explain the agreement to the Director, and to point out to him that it would not be necessary to return the previously signed forms to the applicants, who would be regarded as having signed under the new procedure. Mr. Reedman saw no reason to anticipate any particular difficulties in that connexion. He had also seen the Lebanese authorities who had likewise made clear that they awaited the outcome of the negotiations undertaken by the Conciliation Commission for Palestine. They had arranged with UNRWA officials the procedures to have the sealed bags containing the forms sent on to the banks on resumption of the operation.

Consequently, there were now about 1,000 forms awaiting disposal or being processed by the banks at the central control office in Jerusalem, in addition to the 933 already received by the banks. As for the submission of new applications, it was not known, of course, how many persons had not filed applications because of the action taken by the Jordan Government. He had been informed in Jerusalem that the number of accounts was between 4,000 and 5,000. Before the ban imposed by the Jordan Government, the banks had received about 933 applications. Some 2,000 would, therefore, have been received in all. That left 2,000 to 3,000 account holders from whom nothing had been heard, and only time would show what the final number would be.

From the technical standpoint the scheme was working very well. The applications had been filled in better than the banks had hoped, and there had been less difficulty in identifying claimants than had been anticipated. About 70 or 80 applications had been temporarily rejected by the banks as insufficiently clear. Those would eventually be returned with a request for further information if possible and would not be rejected out of hand. Only 4 or 5 of the applications forwarded to the Custodian by the banks had been rejected by the Custodian of Absentee Property. Mr. Reedman said that the reasons for rejection had not appeared frivolous, and had turned mainly on the uncertainty of the standing of the claimant as a refugee. Nevertheless, he felt that it should be borne in mind that while there were likely to be relatively few such rejections, there might be cases in which questions of principle would be involved. In that connexion, he noted that rejection by the banks was purely technical. Rejection of an application by the Custodian, after it had been cleared by the banks, however, was another matter and it might raise questions for the Commission to consider.

Of the 933 applications received before the suspension of the scheme or by post from other areas, 627 had been approved for payment by the Custodian by 15 June, representing accounts totalling £170,304. Sterling transfers on these accounts approved amounted to £22,170 to the end of May and a further £24,150 for the month of June. A good deal of these amounts had already been transferred via London and was available for payment, particularly in Jordan, from which most of the early claims had originated.

Mr. Reedman felt that there would be advantages in having a liaison officer from the Secretariat represent the Commission in the area. Such an officer would keep in constant touch with the whole of the operation and with the various authorities involved in order to deal with any questions which might arise and which could not easily be settled by other people. In the event that that officer was unable to settle such questions, he would keep the Commission informed of all the relevant facts. Those considerations were important in connexion with the question of rejection of applications. There were likely to be some such rejections, although the percentage would not be high; they should be handled with care and without the undesirable publicity which the presence of a representative of the Commission might help to avoid.

since the refugees would feel that their interests were safeguarded by the continuing interest of the Commission in the question. The duties of such a representative would not be very onerous, but it was quite clear from experience in the area that the United Nations organizations operating there were not in a position to undertake this responsibility. UNRWA, for example, was peculiarly unable to handle such matters because Mr. Carver, the Deputy Director General of UNRWA, had made it a question of policy that the UNRWA officers dealing entirely with Arab refugees in Arab areas should have no functions in connexion with negotiations with Israel, and that the functions of UNRWA in respect to blocked accounts should be confined to a post office role. Within that limitation, UNRWA was giving full and very generous assistance to the scheme.

The truce supervision officials were also in a difficult position to act in the matter. Although Mr. Shields' efforts had been quite helpful when the situation had developed, the former Chief of Staff had been somewhat apprehensive about UNTSO taking part. In view of the complicated and difficult situation on the frontiers, which fully occupied the time of the political officers of UNTSO, it was highly desirable for the Commission to have a liaison officer on the spot and entirely free to deal with any questions that might arise.

Another matter to which Mr. Reedman attached great importance was the need, at the appropriate time, to ensure that there would be successive instalments made available with no break in time. That consideration was particularly relevant in view of the assurances given by Israel on the question of the amounts over £500 transferred to the Custodian, by reason of the importance attached to that question by the Arab Governments, and particularly by Jordan. There were likely to be some difficulties of a technical nature in a further release. Some of the accounts over £500 were very large, and payments of £50 a month would not satisfy holders of accounts of £20,000 or so. It was thus necessary to consider the possibility of having the accounts repaid at a faster rate. With that in mind, Mr. Reedman had spoken to officials of Barclay's and the Ottoman banks in London, and it appeared that it might be possible for the banks to advance the whole amount in sterling, provided that they could get adequate guarantees or repayment from Israel.

The officials of Barclay's had appeared very interested in a proposition of that sort, which Mr. Reedman had thrown out to ascertain their reaction. Mr. Reedman had also raised the question of a solution along these lines with an official in the British Foreign Office in charge of Middle Eastern Affairs. This official expressed the interest of the Foreign Office in the complete repayment of blocked accounts and after consultation with the United Kingdom Treasury had suggested that explanatory discussions with the banks might usefully be undertaken by Mr. Reedman. The next step for the Commission to take, at the appropriate time, probably would be to talk the matter over with Israel on the highest level. Mr. Reedman's view was that the negotiations should be under way in reasonably good time to make sure that there would be no break between the release of the first and subsequent instalments.

The CHAIRMAN, Mr. ORDONNEAU (France) and Mr. BARAN (Turkey) thanked Mr. Reedman for his report and for the excellent manner in which he had carried out his task. The Chairman requested the Acting Principal Secretary to convey the Commission's thanks to the Secretary-General.

The CHAIRMAN said that he did not feel overly concerned by the fact that four or five applications had been rejected by the Custodian. That was a very small proportion, and it seemed likely that the situation would be straightened out. He asked whether Mr. Reedman anticipated that any serious difficulties might arise.

Mr. REEDMAN replied that it was, of course, difficult to forecast. It might well be that the scheme would be carried out without any serious difficulties at all. If a representative of the Commission were present in the area, however, there would be some insurance against a hasty reaction on the part of individual officials. As he had said, the job would be a relatively light one in terms of the actual amount of work to be done. But almost everyone concerned with the question had seen great advantage in having a representative of the Commission available. While such a representative was not absolutely necessary, his presence would be useful insurance.

The CHAIRMAN agreed with Mr. Reedman. From a somewhat different point of view, however, he saw some advantage in letting those involved deal with each other and get used to that process. For the Commission to send a representative might perhaps be regarded as somewhat paternalistic.

Regarding the question of further releases, he asked Mr. Reedman for an estimate as to the length of the current phase.

Mr. REEDMAN noted that the deadline for submission of applications had been extended to 31 July. Taking into account the number of applications being processed by the banks, it appeared likely that about twelve months would be necessary. In response to a further question by the Chairman, he agreed that the preparations for a further release should be made as the processing of current applications was tapering off. Probably it would be useful to begin discussions sometime during the next General Assembly.

### 3. THE QUESTION OF THE DISPOSITION OF PRIVATE ARAB PROPERTY BY THE GOVERNMENT OF ISRAEL

The CHAIRMAN, recalling the efforts of the previous Chairman as a result of which the Commission had been promised a statement by Israel, said that he had recently seen Ambassador Eban at the latter's request. Mr. Eban stated that he wanted to clarify in his own mind exactly what the problem was. As the Chairman understood the situation, Israel took the position that there was no impairment of the legal claim of Arabs in the disposal of Arab property by the Custodian, although the prospect of individuals getting back specific portions of land seemed light. The Commission should obviously wait until it received the Israeli paper on the subject, which Ambassador Eban had again promised.

### 4. OTHER BUSINESS

Mr. CHAI (Acting Principal Secretary) said that he had been asked to advise the Director of the Field Operation Service as to the future status of Mr. Hadawi, whose fixed-term appointment was due to expire in the fourth quarter of 1953. As the work of the individual assessment of Arab property in Israel was to be continued, he assumed that Mr. Hadawi's appointment would be

Pointing out that almost six months had elapsed since the work on compensation had been started, Mr. Chai felt that the Secretariat needed some guidance from the Commission, which had decided on the undertaking of the identification of individual Arab property in Israel. He had come to realize more and more the complexity and magnitude of the task. He had been informed that the extraction, examination and compilation of the particulars from the microfilms had been completed in respect of three villages in Gaza. Thirty per cent of the microfilms in respect of the three villages were illegible. There were more than 40 villages in Gaza. At the current rate of work it would take at least five years to finish the extraction of the material from the microfilms in respect of Gaza. Taking Israel as a whole, it would probably take 50 years to complete the work.

It was true that the work could be speeded up. If so, the plan of work of the project should be carefully established and the members of the staff should be increased. Another aspect of the problem was the budgetary implications. If the project was to be completed, say, within five years, then the budgetary estimate for the Commission for the next few years would have to be correspondingly increased. He understood that the total cost would be about half a million dollars.

In view of those considerations, it would be appreciated that a clear indication of the Commission's plan of work was necessary for the preparation of the budgetary estimate for the next year.

The CHAIRMAN said that the problem had arisen when the Commission had first considered the question, and the Commission had then decided that it would be desirable to start the project on a small scale, with the possibility of accelerating the work at the proper time. That decision had been taken because the Commission had felt that there was not sufficient likelihood of compensation being available at the present time to justify a full-fledged operation. Generally speaking, he felt that the project should be continued on the same basis, possibly with a slight speed-up. What the Commission had decided upon in the past was essentially a sort of care-taker operation. In any case, Mr. Hadawi's services should be retained.

Mr. ORDONNEAU (France) and Mr. BARAN (Turkey) agreed with the views expressed by the Chairman.

Mr. CHAI (Acting Principal Secretary) raised the question of the Commission's progress report to the Secretary-General.

The CHAIRMAN suggested that the report be prepared, after which the Commission could consider the timing of its release.

It was so agreed.

The meeting rose at 12.45 p.m.