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UNITED NATIONS CONCILIATION COMMISSION FOR PALESTINE

SUMMARY RECORD OF THE 320TH MEETING (CLOSED)

Held at Headquarters on Wednesday, 24 November 1954 at 3:00 p.m.

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PRESENT:

Chairman: Mr. Adil DERINSU Turkey
Mr. ORDONNEAU France
Mr. LUCET
Mr. BARCO United States of America

Secretariat: Mr. CHAI Acting Principal Secretary

Also present: Mr. LABOUISSE UNRWA

Mr. CARVER

- 1. ADOPTION OF THE AGENDA
 The agenda was adopted.
- 2. THE QUESTION OF BLOCKED ACCOUNTS

The CHAIRMAN welcomed Mr. Labouisse and Mr. Carver. The most immediate problem facing the Commission was that of the difficulties which had arisen on the question of blocked accounts. If there was time, they might also discuss the question of identification and evaluation of Arab property. Still a further point arose in connexion with the draft resolution currently before the Ad Hoc Political Committee. especially paragraph 2.

On the question of blocked accounts, the view of the Commission had always been that the release could be carried out as a simple banking operation and that negotiations between Israel and the depositors were neither necessary nor feasible, since once the necessary foreign exchange was available the only difficulty would be removed. The Commission had made this view known to Israel on several occasions. However, the Government of Israel had gone ahead and had made an agreement with a refugee group known as the General Refugee Congress of Ramallah, the results of which had been communicated to the Commission on 1 November. On 16 November the Government of Israel had made a public radio announcement, setting forth the procedures to be followed by refugees in applying for the release of their accounts. As the Commission understood the matter, both the Truce Supervision Organization and the UNRWA had been approached for assistance in the release operation. He would be glad to have views of members of the Commission and of Mr. Labouisse and Mr. Carver as to how they ought best to proceed.

Mr. ORDONNEAU (France) asked whether there was any information available in addition to the cablegrams circulated to the members of the Commission.

Mr. CHAI (Acting Principal Secretary) indicated that there was none.

Mr. LABOUISSE (UNRWA) said that no approach had been made to UNRWA so far as he knew. The first intimation had been in the press release stating that the forms would be available through the offices of UNRWA. UNRWA had not agreed to that statement and had not been informed that it would be made. The Agency's position was that it was prepared to go as far as it had gone in the first release operation, namely, to act as "mailbox" and so forth, but that it could not become involved in negotiations or in the political aspects of the matter. Referring to the Arab reaction to the Israel Government's contact with refugees, he said

(Mr. Ordonneau, France)

that if the Arab Governments objected to the agreement between Barclay's and Israel the Agency would not be able to participate. Such participation would clearly be fruitless. He had therefore sent word to the Agency headquarters in Beirut to the effect that the Agency would be prepared to fulfil the same functions as in the first stage of release if it was formally requested to do so by Barclay's Bank and if the latter had secured the concurrence of the Arab Governments. That position had been communicated to Mr. Ladas.

The Agency thus found itself in an unhappy position. A statement had been made that its offices would have the forms but it did not know what the forms would look like or whether their contents might be politically unpalatable to the Arabs. His view was that the Agency did not want to become involved and wanted a formal request for assistance. Any negotiations with the Arab Governments should be done by the Conciliation Commission. From the standpoint of the United Nations, however, something should be done about the situation in order to avoid any accusation of non-co-operation.

Mr. ORDONNEAU (France) agreed with the views expressed by Mr. Labouisse.

Mr. BARCO (United States of America) also agreed with Mr. Labouisse. The role of UNRWA, like that of the Commission, must be made clear. The Commission was faced with the possibility, at some time in the near future, of accounting to the General Assembly and to the Governments with which it was in relation. As things stood, the Commission, through statements made by Israel without its concurrence, could be put on the defensive in this question. That would be most unjustifiable, in view of the fact that its position had consistently been clear and correct.

There was one way in which a start might be made to correct that situation, namely, for the Commission to take the initiative in clarifying a number of points with the Government of Israel. The situation apparently was that the latter had made an agreement with an unofficial group purporting to represent the refugees. That agreement had been sent to the Commission for information and without an opportunity for the Commission to take any corrective action. The only other information was that contained in press reports, which left some uncertainty as to whether the Government of Israel was now proceeding in accordance with such an

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(Mr. Barco, United States of America)

agreement, or was proceeding on some other basis. If it was proceeding on the basis of the purported agreement, the question remained as to whether the Commission could take any part in expediting the release. If Israel was not acting in accordance with the purported agreement, and instead on a basis the Commission approved, the duty of the Commission to provide assistance was clearer. Obviously it was desirable for both UNRWA and the Commission to obtain more information, which could best be obtained from the representatives of Israel in New York.

Mr. LABOUISSE (UNRWA) said that a desirable thing would be to talk to the Government of Israel, but it would in any event also be desirable to talk to the Arab Governments, saying that it was understood that an agreement had been made with Barclays and that UNRWA had been requested to assist, and ask what objections there might be.

Mr. BARCO (United States of America) said that it was clear that all wanted to help, but there came a time when the question arose as to whether it was possible to be helpful. There had been no approach as yet from the Arab side to the Commission, although press reports indicated that those Governments took an unfavourable view of the matter as they understood it. Of course, the danger was that the Arab Governments would take public positions which would prevent agreement.

Mr. CARVER (UNRWA) observed that the question was what Israel's intentions were. There was an arrangement between the Israel Government and Barclays which seemed sufficient. There had not been any apparent need for consultation or agreement with the refugee groups in Paris, and there was no need in the present instance to consult the refugees.

Mr. BARCO (United States of America) said that for some six months the Commission had tried to find the answer to the question raised by Mr. Carver. It had concluded that there was no need to consult the refugees and that such consultation could easily result in the failure of the whole scheme. That

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position had been made clear to Israel on several occasions. The Commission had never received a reasonable or adequate answer or argument in response. The fact remained that Israel had decided to disregard the views of the Commission in that respect and to act on its own.

He emphasized that in the opinion of the United States delegation, there was no apparent justification for negotiations between Israel and the depositors. As the representative of France had pointed out at a previous meeting, the Commission itself could not have dealings with representatives of the refugees, being empowered to deal only with Governments.

After further discussion, <u>Mr. BARCO</u> (United States of America) proposed that the Commission seek clarification of the question by holding a meeting with the representative of Israel. In view of the way in which the Agency was involved, it would obviously be quite in order for UNRWA to participate so long as the Director did not feel that such participation would complicate its position.

Mr. CARVER (UNRWA) believed that the Agency had the right to an explanation of the reference to its participation in the scheme announced by the Government of Israel.

Mr. BARCO (United States of America) noted that the Commission was also involved in statements emanating from Israel, and cited press reports concerning the alleged opposition of the Commission to negotiations with the refugees because of its own desire to conduct such negotiations, which were of course entirely untrue. He also proposed that the Commission make available to Mr. Labouisse the records of its discussions on the matter so as to acquaint him with the background.

The CHAIRMAN and Mr. ORDONNEAU (France) supported the proposals made by Mr. Barco.

It was so decided.

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3. IMPLICATIONS OF DRAFT RESOLUTION BEFORE THE AD HOC POLITICAL COMMITTEE (A/AC.76/L.15)

Mr. LABOUISSE (UNRWA) observed that the relevant provisions had been put in the special report mainly at the request of the Arabs, who had wanted to make the reference stronger. At Beirut he had taken the position that the questions of compensation and repatriation were not within the competence of the Agency. The Arab delegations, however, had held that the Agency was responsible for doing something about compensation and had cited the reference in the previous General Assembly resolutions to consultations between the Agency and the Commission on matters within their respective functions.

Mr. ORDONNEAU (France) pointed out that that morning the representative of Saudi Arabia had attacked the Conciliation Commission, referring to paragraph 9 of the 1950 resolution of the General Assembly. Mr. Ordonneau intended to answer that statement, which overlooked the fact that the paragraph in question had not been included in the later resolutions because of opposition by the Arabs. He believed - and he requested the members of the Commission and the Secretariat to correct him if such was not the case - that the Arab Governments had never directly addressed any request to the Conciliation Commission and had never asked the latter to take any action.

Mr. BARCO (United States of America), referring to the statement made by Mr. Labouisse, said that the Commission would of course always be anxious to receive any suggestions from the Agency as to the carrying out of its mandate.

The CHAIRMAN thanked Mr. Labouisse and Mr. Carver.

The meeting rose at 4.10 p.m.