

UNITED NATIONS CONCILIATION COMMISSION FOR PALESTINE

GENERAL COMMITTEE

RESTRICTED
Com.Gen./10
9 August 1949
Original: English

Report of the General Committee
to the Conciliation Commission on the Question of
Unfreezing Blocked Palestine Arab Accounts in
Israel and the Arab States

1. The General Committee, subsequent to the action taken on the question of blocked Arab accounts which was reported to the Conciliation Commission on 20 July (see Com.Gen./9, paragraphs 14, 21, 24, 26 and 31), received from the Arab delegations the following replies to the Israeli proposal for reciprocal unfreezing, pound for pound, of blocked Palestine Arab accounts in Israel and the Arab States:

a) The Egyptian Government agreed, as compensation and at the ratio of one for one, to unfreeze funds held by banks in Egypt and belonging to Arabs in Israel, to the same amount as would be unfrozen by Israel from sums belonging to Palestine Arabs resident in Egypt and the Gaza area.

b) Syria, Lebanon and the Hashemite Jordan Kingdom associated themselves with the Egyptian position as a provisional measure, while reserving their position on later discussion of the final settlement in which the unfreezing of blocked assets should be full and complete regardless of the sums involved on either side.

c) The Arab delegations suggested that the technical details of the plan for such a reciprocal unfreezing of accounts should be studied by a body of experts.

2. The General Committee at its thirtieth meeting held on 8 August agreed that it would be useful to set up a mixed committee of experts to be composed of one Israeli and one Arab expert under a neutral chairman. This committee would study the question of unfreezing blocked Arab accounts in Israel and the Arab States on the basis of reciprocity and would report its findings to the Commission.

3. The General Committee hereby submits the proposal for the creation of the above described committee to the Conciliation Commission for its approval.