



UNITED NATIONS CONCILIATION COMMISSION FOR PALESTINE

NINETEENTH PROGRESS REPORT

(for the period from 12 November 1960 to 13 October 1961)

Note by the Secretary-General: The nineteenth progress report of the United Nations Conciliation Commission for Palestine has been transmitted by the Chairman of the Commission for communication to the Members of the United Nations in accordance with paragraph 6 of General Assembly resolution 512 (VI) of 26 January 1952.]

Introduction

1. On 21 April 1961, at its fifteenth session, the General Assembly adopted resolution 1604 (XV). Operative paragraph 1 of that resolution noted that the United Nations Conciliation Commission for Palestine had not yet been able to report progress in carrying out the task entrusted to it in paragraph 4 of General Assembly resolution 1456 (XIV), and requested the Commission to make further efforts to secure the implementation of paragraph 11 of General Assembly resolution 194 (III) and report thereon not later than 15 October 1961.
2. Resolution 194 (III), which established the Conciliation Commission, provided broad terms of reference. Paragraph 11 reads as follows:

[The General Assembly]

"11. Resolves that the refugees wishing to return to their homes and live in peace with their neighbours should be permitted to do so at the earliest practicable date, and that compensation should be paid for the property of those choosing not to return and for loss of or damage to property which, under principles of international law or in equity, should be made good by the Governments or authorities responsible;

. Instructs the Conciliation Commission to facilitate the repatriation, resettlement and economic and social rehabilitation of the refugees and the payment of compensation, and to maintain close relations with the Director of the United Nations Relief for Palestine Refugees, and, through him, with the appropriate organs and agencies of the United Nations."

3. Following the adoption of resolution 1604 (XV), the Commission gave immediate consideration as to how best to proceed further with its work. On 9 May 1961, it decided to explore by means of a special representative the precise views of the parties as to what action might usefully be undertaken in the implementation of paragraph 11 of resolution 194 (III).

4. A search for an appropriate representative was actively pursued. On 21 August, the Commission informed the Secretary-General of its decision to appoint as its Special Representative Dr. Joseph E. Johnson who has been President of the Carnegie Endowment for International Peace since 1950. He has served as an adviser and delegate to a number of international conferences, and the Commission believed that his experience and his long familiarity with international problems fully qualified him for the assignment. Dr. Johnson, it was decided, would undertake a visit to the Middle East to explore with the host Governments and with Israel practical means of seeking progress on the Palestine Arab refugee problem pursuant to resolution 1604 (XV) of the General Assembly. The Secretary-General designated Mr. Sherwood Moe, Director of Liaison for the United Nations Relief and Works Agency for Palestine Refugees in the Near East at New York, to accompany Dr. Johnson as his assistant.

Mission of the Special Representative

5. Dr. Johnson left New York on 31 August and returned on 20 September. During his trip to the Middle East, Dr. Johnson visited Beirut, Amman, Cairo, Gaza,

Jerusalem and Tel-Aviv. Conversations took place at the highest level and with senior officials and experts of Israel and the host countries, and also with the Secretary-General of the Arab League. At Beirut, discussions were held with the Director of UNRWA and members of the UNRWA Advisory Commission. In the host countries, UNRWA refugee camps and vocational training centres were visited in the company of UNRWA area officers and of local officials.

6. Since his return from the Middle East, Dr. Johnson has been holding further conversations with representatives of the host countries and Israel. These are continuing. All of the officials with whom he has talked, both in the Middle East and since his return to Headquarters, have received him in a most friendly manner, manifested a deep interest in seeking progress and given him their views freely and frankly.

7. While declaring that it was not yet possible to submit firm conclusions, Dr. Johnson informed the Commission that high officials of the host countries and of Israel had expressed the view that it might be possible to take practical steps with regard to the refugee problem without prejudice to the positions of the Governments on other aspects of the "Palestine question". While it clearly would not be possible at this stage to develop an acceptable set of detailed proposals, the Commission hopes, in the light of Dr. Johnson's report, to be able to make suggestions in the near future with respect to methods of procedure that might lead to progress on the refugee question.

Identification and Valuation Programme

8. The General Assembly in resolution 512 (VI) of 26 January 1952 expressed the view that the Governments concerned have the primary responsibility for reaching a settlement of their outstanding differences. Following the adoption of that resolution, the Commission, as indicated in previous reports, determined that in the prevailing circumstances the most promising way in which it could at that stage lend its assistance to the parties would be by making further efforts in connexion with the question of compensation for the Palestine refugees and by securing the release of Arab refugee bank accounts and safe deposits blocked in Israel.

9. Since then, a principal concern of the Commission has been its programme for identification and valuation of Arab refugee immovable property holdings in Israel as at 15 May 1948. In carrying out this programme, the Commission has not attempted to lay down a basis for an over-all settlement of the refugee problem. The work of identification and valuation is technical in nature and constitutes an indispensable prerequisite for any settlement of claims with regard to immovable property. The programme has reached a stage which makes appropriate a brief review of the considerable progress to date.

10. In 1952, the Conciliation Commission requested the Secretary-General to set up a special staff to undertake, first the identification, and then the valuation of immovable property which on 15 May 1948 was owned by Arabs and for which compensation might be claimed. Under the direction of Land Experts, the Commission's Technical Office for Identification and Valuation of such property has carried on the project both at Headquarters in New York and in Jerusalem. The bulk of the identification work was done in Jerusalem from where it was possible to obtain access to the various necessary records. The valuation work has been largely carried out with a smaller specialist staff at New York.

11. The purpose of identification was to bring into existence a compact record of individual Arab land holdings in Israel as at 15 May 1948, the date of the termination of the British Mandate, which could be used, if the parties so desired, as a basis for verifying individual claims to compensation. The identification was to describe the ownership, interest in, and nature of each holding.

12. Valuation is a natural corollary of identification without which the project would be incomplete. The values to be ascertained were the market value of the various holdings as at the date of the adoption by the General Assembly of the Partition Plan, namely 29 November 1947. This date was selected as marking the termination of a period of relative stability when values had not yet been affected by the disturbances which took place in Palestine following the adoption by the General Assembly of the Partition Plan.

13. The Commission has received from its Technical Office a comprehensive preliminary report which sets out in detail the methods and documents used in the identification programme and techniques evolved to carry out the valuation. It also indicates certain limitations to its work resulting from the lack of certain data. By 1958, as noted in the Commission's sixteenth progress report (A/3835),

the work of identification was nearing completion. The work of evaluation then began with studies and analyses of available information, particularly the prices realized in sales which took place in 1946 and 1947, and the evolution of techniques made necessary by the abnormal circumstances in which the valuation was to be carried out. The Office is continuing work towards its assessment of the value of the land parcels which were individually owned by Arabs. The separate parcels of land in question total approximately 450,000, a figure which indicates the magnitude of the operation on which the Technical Office is engaged. The aggregate value of all such parcels will provide the Commission with a figure representing the over-all value of all immovable property in Israel owned by Arab individuals, as at 29 November 1947. This figure should be more accurate and is expected to be larger in amount than the estimate submitted by the Commission's Land Expert in 1951 as, at best, an approximate figure. There remains the task, now under consideration, of computing each owner's holdings, which involves calculating the respective shares (estimated at 1,500,000) in the individual parcels and preparing an index of owners' names.

14. From any estimate of the value of the immovable property of Arab refugees there must be deducted the value of the immovable property of those Arabs who remained in Israel and other non-refugees. With the data at present available, the estimates which the Commission's Technical Office will make will be approximate. However, the Commission is of the opinion that the methods and techniques evolved in the identification and evaluation work are valid and that the estimates will prove to be basically accurate and should serve as a fundamental basis for any compensation arrangement. The Commission at the appropriate juncture will also wish to consider certain other closely related factors having a bearing on the problem of compensation.

Release of Arab refugee bank accounts blocked in Israel
and transfer of safe deposit and safe custody items

15. Another major concern of the Conciliation Commission since 1952 has been to secure the release of Arab refugee bank accounts and safe deposits blocked in Israel. As indicated in previous reports, an agreement was reached in 1952 between the Commission and the Government of Israel for the complete release of Arab refugee accounts blocked in Israel. After certain technical difficulties had been

overcome, the final release operation in connexion with Barclay's Bank (Dominion, Colonial and Overseas) and the Ottoman Bank went into effect at the beginning of 1955 (A/3199, para. 20). As at 30 June 1961, there had been released a total of 2,790,045 pounds sterling of the accounts of refugees and absentee owners.

16. The final stage in the release operation was reached when, on 11 November 1959, the representative of Israel informed the Commission that the Government of Israel had decided to release the bank accounts blocked in Israel in banks other than Barclay's Bank (D.C.O.) and the Ottoman Bank. On 7 November 1960, the Commission was informed that the Government of Israel and Barclay's Bank had concluded an agreement whereby the Bank undertook to deal with claims to these accounts by procedures similar to those employed in previous release operations (A/4573, para. 5). The Commission has now secured the concurrence to this plan of the Governments in Jordan, Lebanon, and the United Arab Republic and is approaching the Government of the Syrian Arab Republic. It is expected that the release operation will start in the near future.

17. Because a considerable number of Arab refugee account holders have not yet withdrawn the balance of their accounts in Israel branches of Barclay's Bank (D.C.O.) and in former branches of the Ottoman Bank, the Commission will take the occasion of this release operation to invite such account holders to claim their balances. Likewise, owners of safe deposit and safe custody items who have not applied under the transfer plans arranged in 1955 with the Governments of Jordan and Lebanon will again be invited to submit application forms. Arrangements agreed upon in 1956 regarding these items with the Government of Syria, and on a preliminary basis with the Government of Egypt, remain unimplemented. The Commission will remain available to provide any necessary and appropriate assistance.

Historical survey of efforts of the UNCCP to secure the
implementation of paragraph 11 of resolution 194 (III)

18. As indicated in its eighteenth progress report (A/4573), the Commission requested its secretariat to prepare working papers in order to facilitate the work of the Commission in connexion with directives of the General Assembly to make further efforts to secure the implementation of paragraph 11 of resolution 194 (III). Taken together, the two working papers submitted contribute

to a historical survey of action taken by the Commission in connexion with paragraph 11 and of the positions taken by the Governments of Israel and the Arab States as well as other interested delegations, UNRWA and the Secretary-General. The papers bear the sub-titles "The Question of Reintegration by Repatriation or Resettlement" and "The Question of Compensation" (A/AC.25/W.81/Rev.2 and A/AC.25/W.82/Rev.1). These documents are available to delegations upon request.^{1/}

Co-operation with UNRWA

19. Useful relations have been maintained in the past year with both the Truce Supervision Organization and the United Nations Relief and Works Agency for Palestine Refugees in the Near East. During his mission to the Middle East, Dr. Johnson consulted with the Director and various officials of UNRWA. On the technical level, the Commission has also received from that organization assistance both in connexion with the release of blocked accounts and the identification and valuation programme.

^{1/} The papers are available only in English and French, the working languages of the Commission.