

The Deputy Commissioner of the United Kingdom said he took it that what the Chairman had done was to set on point J of paragraph 4 of the Minutes of the 55th Meeting.

The Chairman replied that he had not written a letter on behalf of the Commission. He had merely made a tentative proposal which would still have to be approved by the Commission.

The Deputy Commissioner of the United Kingdom thanked the Chairman for this explanation.

The Chairman requested the Secretary General to report on the progress of the final formulation of the Charter Contract with Pan American Airways.

The Secretary General explained that completion of the Charter Contract was held up owing to the fact that agreement on the terms of the insurance policy, which was to accompany it, had not yet been reached. Two or three clauses of the Charter Contract could not be drafted in their final form until the position in regard to insurance had been clarified. The position was that the policy which had been sent over from New York was unacceptable to the Commission's insurance advisers and that the amendments required were so numerous that the matter could not be satisfactorily settled by correspondence. There was some doubt, too, as to whether the insurers in New York did not consider the policy as being in force. As this matter had been handled originally between the United States Delegation, Mr. O'Flaherty, and Pan American Airways the Secretary General had spoken to Mr. Daspit, (18th March) about the position which had arisen and Mr. Daspit had agreed to clarify the situation with Mr. Kelly of Pan American Airways. It had been agreed between Mr. Daspit and Mr. Kelly that the best thing was to cancel the insurance negotiations in New York and contract in Brussels with a reliable group of insurers in that town. The Chairman having instructed the Secretary General (1st March) in the absence of Mr. Daspit to take the matter up direct with Mr. Kelly, the Secretary General had done so and had agreed with Mr. Kelly that the latter would submit urgently a new draft policy. The latter would be examined by the Commission's legal and insurance advisers in conjunction with their opposite numbers on the Pan American Airways side. Once the policy had been approved, the Charter Contract would be completed and final versions of both contracts would be submitted to the Commission for approval.

The Chairman asked for information as to the progress in securing bids for the movement of the rest of the gold.

The Secretary General replied that full information on which bids were to be based had been communicated to the companies named at the 56th Meeting, and that bids had been called for. None had yet been received but he knew from conversations and telephone calls that some companies were actively engaged in preparing such bids. His idea, based on instructions given at the 56th Meeting, was that all these bids should be on exactly the same basis so that the Commissioners could easily compare the various proposals.

It was decided:-

to await the results of the Chairman's new proposals to the United States Military Government.

J. Italian claims - question left over from the last Meeting.  
(56th Meeting, Min A 2)

The Chairman explained that he had asked that this item should be placed on the Agenda because of the discussion which had taken place at the 56th Meeting. His Deputy had stated that he was not in a position to discuss the question in the United States Commissioner's absence. The

Chairman's position was that he had always considered that the entire Italian claim was allowable. His French colleague had felt that there might be some question of compensation having been received by the illegitimate government set up by Mussolini after the surrender. The United States position was that either the entire claim was allowable or else it was not, and that it was not appropriate to break it up as had been suggested. He (the Chairman) was prepared to vote in favour of allowing the whole claim.

A general and very full discussion ensued in the course of which the Commissioners developed their respective views at some length. It became apparent that the Commissioners were in general agreement that the entire claim could be allowed without further discussion on this point. Note was taken of a short expose by Monsieur Hirigoyen to the effect that the amount of 63,330 kgs which was shown separately on the schedule in the hands of the Commissioners should be taken into account. The discrimination had only been made in order to make it possible to show the exact amount of Yugoslav gold received by Italy. As it was transferred to Germany either as Yugoslav or as Italian gold it should be allowed and included in the total claim. This would bring the figure to 60,990.7727 kgs.

The next point which was discussed was one of delivery procedure and the attitude to be adopted by the Commission having regard to the terms of the Italian Protocol. The position was that the Commission was bound by the Italian Protocol to set aside, from any amounts allowed to Italy, 14,442 kgs for France and 8,857 kgs for Yugoslavia. Could any distribution of amounts in excess of the total of these two amounts be made to Italy without reference to the Governments? Should the entire amount now recognized as allowable be restituted by a series of operations carried out simultaneously, following agreements between the United Kingdom, the United States, and French Governments, Yugoslavia, Italy, and the Tripartite Commission? If this were not done a certain quantity of gold might remain indefinitely set aside if, say, Italy and Yugoslavia failed to agree. An added complication was the fact that there was a discrepancy between the Yugoslav claim which was for 8,857 kgs and the amount of gold stated by Italy to have been received from Yugoslavia which was 8,393 kgs.

The Deputy Commissioner of the French Government stated that he was in entire agreement with the views expressed by the Chairman. He too was prepared to abandon the distinction originally established by the Commission when it was desired to take into account the possibility that consideration had been given by Germany in respect of part of the gold. He agreed that the validity of the Italian Government's claim for 60,990.7727 kgs should be recognized.

He pointed out, however, that he could sign no delivery order in favour of Italy for the surplus over and above the amounts set aside under paragraph 4 (a) of the Protocol so long as the conditions whereby physical delivery of the quantity of gold which Italy had to retribute to France under the Peace Treaty should be effected directly and simultaneously to France had not been settled.

The French Government also considered it essential that the case of Yugoslavia should be examined from the same angle, as it appeared unlikely, in view of the political situation, that agreement would be reached between the two countries within a reasonable time. In these conditions, the setting aside of the Yugoslav gold might be prolonged indefinitely to the detriment of the beneficiary country.

The Commissioner of the French Government read out a note dated 3rd March, 1948, delivered to the French Ministry of Foreign Affairs by the Italian Embassy in Paris, in which the Italian Government recognized that the amount claimed by France was correct and declared that in its opinion the Commission was qualified to effect restitution.

He said he would communicate the document officially to the Commission and that he would request his Government to make a similar communication to the Governments in London and Washington.

As regards Yugoslavia, he considered that failing the conclusion of a similar agreement with Italy, it would be advisable, in order not to immobilize the total amount of gold which fell to be restituted, to hand over to Yugoslavia the minimum amount agreed by Italy, i.e. 2,325 kgs. The disputed amount of 464 kgs would be set aside until definite agreement was reached.

The Chairman and the Deputy Commissioner of the United Kingdom were of the opinion that the note read out by the Deputy Commissioner of the French Government could probably be considered as constituting an agreement on the part of Italy in regard to the French claim. This was, however, their personal view and they could not say what view their Governments would take. They would transmit it to their Governments whose responsibility it would be to take a decision on the subject in conjunction with the French Government.

The Chairman did not think it advisable that the Commission should wait until the entire question could be settled by a series of simultaneous operations. It appeared that France and Italy were already in agreement whereas the latter country was not in agreement with Yugoslavia. He was of the opinion that subject to appropriate instructions being received from the Governments, the restitution of the gold due to France could be effected and that the physical transfer by the Commission on its own initiative of Italy's share, over and above the amount set aside under the Protocol, could be carried out as a separate or simultaneous operation to the above. With regard to Yugoslavia, he did not think that the Commission should take any action which might be construed as interference in a matter which fell to be settled direct between Italy and Yugoslavia.

It was decided:-

- i. to allow the Italian claim for 60,990.727 kgs of fine gold belonging to the Banca d'Italia;
- ii. that the Deputy Commissioner of the French Republic would communicate to the Commission the document he had just read out;
- iii. that he would advise his Government of the position and suggest that the text of this document should be communicated to the other signatories of the Italian Protocol with a view to some arrangement being arrived at whereby the Commission would be authorized to dispose in favour of France, by means of appropriate procedure, of the amount set aside for that country as soon as possible;
- iv. that the Commissioners of the United States and the United Kingdom would communicate with their Governments on these lines.

The Meeting adjourned at 12.45 p.m. and was resumed at 1.30 p.m.

b. Yugoslav letter dated 22nd March, 1948.

The draft letter referred to in paragraph i of the present Minutes having been circulated, the discussion of this item was resumed.

The Chairman pointed out that as long as the Protocol existed the Commission's hands were tied, and it could hardly do more than adhere to the position already taken.

The advisability of a joint or individual representation being made to the Governments of the United States, the United Kingdom, and of France by the Commission, or the Commissioners, with a view to the Protocol being communicated in order to clarify the situation and facilitate the Commission's task, if this had not already been done, was next discussed.

The Commission then proceeded to examine in detail the draft reply prepared by the Chairman.

It was decided :

- i. that the three Commissioners would, individually, draw the attention of their respective Governments to the fact that the Commission's operations would be facilitated if the Protocol could be communicated to the Yugoslav Government if this had not already been done;
- ii. that the suggested reply to the Yugoslav Delegate, amended in accordance with the decisions of the Meeting, should be retyped and signed by the three Commissioners later in the afternoon.

5. Italian Alloy Bars (56th Meeting, Min C b)

The three Commissioners exchanged views as to the action to be taken in regard to these bars. The questions which arose were "were they to be considered as monetary gold, or were they to be taken to London and melted down, in which case, how was the silver to be disposed of?"

The Secretary General explained that there were 141 of them and that it had been reported that there was "a considerable amount of silver in them".

It was decided :

that the Commissioners would draw the attention of their respective Governments to the existence of these bars and seek their instructions as to their disposal.

6. Future policy in regard to alleged losses suffered by Greece

The Chairman stated that this question had been placed on the Agenda at the request of the Secretary General and called for his comments.

The Secretary General explained that two questions arose :

- a) The Greek Government's query as to the Commission's definition of "monetary gold" had not been answered, and this rendered the drafting of requests for further information rather difficult as care had to be taken to avoid saying anything that might imply acceptance of the Greek Government's views.
- b) The Greek Government's claim in respect of supplementary losses alleged to have been suffered by Greece had never been substantiated by documentary evidence, despite the Secretariat's numerous written and verbal requests, although the original letter announcing that these would be sent back to 15th September, 1947.

The Secretary General sought the Commissioners' guidance as to the fixing of a time limit for the production of the necessary justifications.

It was decided :

that the Secretary General would draft a letter, for signature by the Commissioners, fixing the date of the 15th May, 1948, as that beyond which no further unsubstantiated claims would be considered.

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**7. "Any other points for discussion"**

The draft reply to letter No 228, dated 16th March, 1948, from the Dutch Ministry of Finance was examined.

An exchange of views took place as to what had been agreed with the Netherlands Government, when the gold was handed over<sup>to</sup> that country, in regard to the charging of re-assaying to the gold pool.

The Secretary General read out the relevant documents.

**It was decided :**

- a) that there was no need to stipulate that cost of transport and remelting would not be borne by the gold pool;
- b) that all that was necessary was to refer to the documents signed at the time the gold was handed over and confirm that the Commission would abide by the undertaking given in those documents;
- c) that the draft prepared by Monsieur Hirigoyen and the Secretary General would be amended accordingly and circulated to the three Commissioners for signature.

The Meeting adjourned at 5.45 p.m.

JAW/SRM/JD

~~CONFIDENTIAL~~

**TRIPARTITE COMMISSION FOR THE  
RESOLUTION OF MINERAL CLAIMS**

301

**26th Meeting**

17th March, 1948 - 10.30 a.m.

**MEMBERS:**

- Mr. Alan B. DUFFY - Deputy Commissioner of the Government of the United States of America - Chairman
- R.E. Sir Desmond MURPHY - Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland
- Monsieur Jacques BIEFF - Commissioner of the Government of the French Republic
- Monsieur H. Hirigoyen - Deputy Adviser to the Commission (French)

**Secretariat**

- Colonel J.A. Watson - Secretary General
- Mrs. M.E. Allen - Assistant Secretary General

**A. CLAIMS**

**1. Czechoslovakia (17th Meeting, Min 22 (14))**

**12,748,901 lbs. - gold sold to the Reichsbank**

The Commission, having studied a memorandum on the question of free Reichsmarks drawn up by the United States Special Assistant, Mr. O'Flaherty, and an analysis of this claim by the French Deputy Adviser, Monsieur Hirigoyen, who also gave a number of verbal explanations at the Meeting, was, generally, of the opinion that the German had exercised very close control over the so-called "free Reichsmarks", allotted to Czechoslovakia in exchange for the gold taken from her, and only permitted such imports as they considered to constitute an effective contribution to the German war effort. The Deputy United States Commissioner stated that since the claim was being decided on the basis that the so-called "free Reichsmarks" were in fact rigidly controlled by Germany, and could not be used at the discretion of the country possessing them, he thought that it was desirable that documentary evidence to this effect should be included in the Commission's files. He did not doubt that "free Reichsmarks" were subject to complete German control, but before finally approving this claim, he wished to determine the extent to which the Commission was able to document this fact.

**It was decided:-**

that this claim for 12,748,901 lbs should be allowed "provisionally".

**2. Italy - gold in respect of which no documentation had been submitted (17th Meeting, Min 3)**

The Deputy United States Commissioner stated that, in the absence of

his Commission, Mr. Dew, he was not in a position to discuss this claim.

The Commissioner of the United Kingdom having asked if the reasons for this attitude towards the claim could be made known, the Deputy Commissioner of the United States explained that his Commissioner considered that Italy's total claim, amounting to 71,000,000 lbs, should be dealt with "in toto" and that it should not be broken down into a number of separate claims.

The Commissioner of the United Kingdom requested that his opinion that this claim for 21,000,000 lbs could be allowed should be placed on record.

The French Commissioner stated that he shared the view of his United Kingdom colleague that this claim could be admitted, but that he was willing that the matter be allowed to remain in abeyance.

### 3. Germany

(1st Meeting, Min 20)

#### 25,400 lbs - gold belonging to the J.E. Furstenberg Foundation

The Deputy United States Commissioner stated that he was prepared to discuss the various claims involving an application of the Commission's definition of monetary gold, and to see what the result of a narrow application of the definition would be, provided it was agreed that this exercise was merely designed to clarify the problem and did not necessarily commit the United States to the acceptance of such an interpretation of the definition. On this basis, he concluded that the Furstenberg claim would have to be disallowed.

Both the United Kingdom and French Commissioners considered that this claim should be rejected, but agreed to the Deputy United States Commissioner's reservation.

### 4. Yugoslavia

#### a) 447,175 lbs - difference between the Yugoslav claims for gold taken by Italy and that shown by Italy as having been removed from Yugoslavia (1st Meeting, Min 1)

The Commission having considered Monsieur Hingoyen's written and verbal recommendations that the claim in respect of the difference referred to above should be rejected and having noted Mr. O'Flaherty's conclusions to the same effect,

#### It was decided:-

that the claim in respect of the above mentioned 447,175 lbs should be classified as invalid.

#### b) 145,570 lbs - gold transferred from the Bur Hills to Germany (1st Meeting, Min 1)

The United Kingdom Commissioner recalled the Yugoslav law under which all gold extracted from the copper ore of the Bur Hills was automatically offered for sale to the Yugoslav Government. However, at the time of its wrongful removal to Germany this gold did not constitute part of the monetary reserve of the country and, therefore, on the basis of a strict application of the Commission's definition of monetary gold should be rejected.

The Deputy United States Commissioner concluded that a narrow and literal interpretation of the definition appeared to exclude this claim,

but recalled the position he had taken in the course of the discussion of the Luxembourg claim for the Freeport Foundation gold.

The French Commissioner drew attention to the question of the gold dust taken from Belgium by the Germans, in respect of which a claim could have been lodged by the French Government, but was not pressed as it did not fall strictly within the terms of the definition.

In view of the foregoing,

It was decided:-

to classify this claim for 443,576 kg as "provisionally disallowed."

### 5. Publication.

The United Kingdom Commissioner raised the question of the policy to be adopted by the Commission in regard to the publication of its decisions to allow or reject claims. In his opinion, if a claim had been finally allowed or rejected the countries concerned should receive notification of the decision. He had in mind the case of the Netherlands certain of whose outstanding claims had been finally and definitely allowed, but who had not yet been advised of the fact.

The Deputy United States Commissioner agreed in principle that countries should be notified of allocations to them as soon as possible after the Commission reached a final decision. However, he felt that although the Commission was not formally charged with the physical distribution of the gold, it must consider the question of whether delivery was actually possible, and weigh the desirability of publication against the disadvantages of informing countries they had been allocated gold greatly in advance of the date when it would be possible to make delivery to them. In the case of the Netherlands, he thought a formula might be found which would permit early notification.

It was decided:-

that the Netherlands should be notified of the further allocation which had been decided upon, and that the United States Commissioner would undertake to draft a letter couched in appropriate terms giving information as to the allocation and an explanation of the reasons why the Commission could not effect delivery immediately.

As regards claims finally and definitely rejected,

It was decided:-

that the countries concerned should be notified immediately unless the Commission decided otherwise, for some specific reason.

### 6. Yugoslavia.

19 cases raised by the Germans at Ostrow - 471,145 kg. (470: Ostrow, Min 16)

The Commission considered Monsieur Hirsiger's written and verbal recommendations that this claim should be allowed and noted Mr. O'Flaherty's conclusions to the same effect. The suggestion was that the amount to be allowed should be based on the average weight per case as given by the Yugoslavs, i.e. 47,114 kg.

The United Kingdom Commissioner drew attention to the fact that in this case not only the Commission's definition but also the terms of the Act of Paris, which laid down that detailed and verifiable evidence must be produced, would have to be borne in mind.

The Deputy United States Commissioner proposed that final decision should be postponed as,

- a) before the Commission terminated its work further evidence might be forthcoming, and
- b) there might also arise similar types of claims which the Commission would wish to consider simultaneously.

In view of the above,

**It was decided:-**

that final decision should be postponed and that the claim would remain as "provisionally allowed".

**7. Reasons for Commission Decision**

The Secretary General was instructed to redraft a schedule of the status of claims, showing the reasons on which decisions that certain claims should only be provisionally allowed at that stage were based, particularly as regards those in respect of which questions arising out of the definition and the Act of Paris were involved.

**8. Czechoslovakia**

**Case for British Entry - 14.11.1942**

(49th Meeting, Min 4b)

The French Commissioner began to read through a letter he had just received from the United States Commissioner commenting on the draft, dated 18th February, 1943, of a letter he (the French Commissioner) had prepared, as agreed at the 49th Meeting, for despatch to Czechoslovakia, asking for further information on this claim.

The United Kingdom Commissioner had signified his approval in regard to this draft, but the United States Commissioner was of the opinion that the Munich Pact was illegal, that the claim ought to be allowed, and he had asked the French Commissioner to refrain from having the letter to Czechoslovakia despatched as drafted by him, adding, however, that if the French Commissioner held very strong views on the subject he (the United States Commissioner) would not persist in his objections to the despatch of the letter.

The United Kingdom Commissioner stated that, even in the event of an agreement between the United States and French Commissioners, he would have to procure legal advice from London on this claim as a question of International Law was involved.

The French Commissioner, having stated that he had not gone into the matter as deeply as the United Kingdom Commissioner, concurred with the United Kingdom Commissioner's view that the legal international aspect of the question should be thoroughly investigated.

**It was decided:-**

- a) that the United Kingdom Commissioner would undertake to procure legal opinion from London,
- b) that the despatch of the letter should be deferred until the legal aspect of the question had been clarified,
- c) that the Secretary General should be instructed to procure copies of the Munich Agreement and relevant Czech laws.

(49th Meeting, Min 4b)

The Meeting adjourned at 1.05 p.m. and was resumed at 4.05 p.m.

**2. ACQUISITIONS OF GOLD FROM GERMANY OR GERMAN ALLIES.**

**Consideration of the principle to be adopted.**

The Commissioners, having considered Mr. O'Maherty's and Monsieur Hirigoyen's recommendations that when a country had received gold from Germany in respect of which it had given consideration, no deduction should be made from that country's claim on this account,

**It was decided:-**

to adopt this general principle and to consider the individual claims.

**1. Czechoslovakia.**

**Acquisition of German gold in Czecho-slovakia - 1,377,262 lbs.**

It was stated by Monsieur Hirigoyen in reply to the Deputy United States Commissioner that there was adequate evidence that Czechoslovakia acquired the above mentioned amount of gold against Reichsmarks derived from the Kurvrentbank, a clearing account containing Reichsmark balances accumulating from payments for goods and services rendered by the so-called Slovak State to the Reich.

**2. Italy - acquisition by the Bank d'Italia from Hungary.**

**(1) 11,700 lbs.**

Monsieur Hirigoyen indicated that sufficient evidence had been submitted by Italy that this amount had been paid through the Bank for International Settlements on the order of the Bank of Hungary as a payment for post and telegraphic traffic between Hungary and Italy.

**(11) 1,377,100 lbs. - received by the Bank d'Italia from Germany in settlement of certain amounts paid by Italy to Germany.**

In reply to a question from the Chairman, Monsieur Hirigoyen said that the Italian Government had declared that this gold had been physically transferred by the Reichsbank to Italy on the instructions and for account of the Bank of Sweden in settlement of commercial exports and that this quantity of gold was not included in the gold looted by Germany from Italy.

**It was decided:-**

that these claims should not be deducted from the Czech and Italian claims respectively and should be "provisionally allowed", subject to the French Commissioner's confirmation after speaking to Monsieur Geyser.

**(111) 1,777,500 lbs. - gold received from Germany by Lombard.**

There was some doubt as to whether consideration had been given by Italy for this gold. The reason for the transfer of this gold by Germany to Italy for account of the Lombard was that that country had granted a dollar credit to the Reichsbank, but evidence had not been submitted as to whether this was utilized, in which case the delivery of gold by Italy to Germany would be merely a restitution and not a wrongful removal by Germany.

**It was decided:-**

that this claim would remain classified as "possibly valid" and that a reminder should be sent drawing attention to the Commission's letter dated 7th January, 1944, asking for supplementary information.

**C. FRANKFURT GOLD - TRANSPORT. (Other than that already arranged with Pan American Airways in respect of the coins).**

A rough estimate was given by Member Hestegren and this and a general discussion which ensued showed that there was no doubt that transport to New York and amaying, melting, etc., etc., would prove considerably more expensive than transport to London and treatment of the gold there.

The Deputy United States Commissioner, having in mind what transpired during the negotiations with Pan American Airways, said that it might be found more practical to call for bids containing insurance. However, in view of the fact that the insurance charges might vary considerably with the carrier, it would simplify the Commission's task to have the bidders submit figures for insurance charges as well. Having in mind the great difficulties and delay experienced in working out the details of the contract with Pan American Airways for the transport of coins to the Bank of England, and the likelihood that the same difficulties and delay would be experienced again in the event that negotiations were undertaken with a different carrier, he thought the Commission would probably be justified in continuing the arrangement with Pan American Airways provided the bid submitted by that company was reasonably close to the lowest.

**It was decided:-**

- a) that the Secretary General should be instructed to call for bids on an identical basis in each case, with and without insurance, from Pan American Airways, American Overseas Airlines, Sabena, and British European Airways;
- b) that, in connection with transport of gold from Frankfurt, there was the question of the transfer of the Italian alloy bars to be considered. This should be brought up at one of the next Meetings. These alloy bars contained silver which, after melting of the bars and segregation of the gold, would be returned to Germany for possible disposition there. However, final decision was postponed until one of the next Meetings.

In connection with the bids, the Secretary General produced a draft letter which he had already prepared and asked the Chairman if he would consider this as he was familiar with conditions at Frankfurt. The Chairman took the draft and agreed to discuss this matter with the Secretary General at an early date.

**D. MINUTES OF MEETINGS.**

After consideration of the Secretary General's suggestions for dealing with the Minutes of Meetings,

**It was decided:-**

- a) that the Minutes should contain only declarations of particular importance made by the Commissioners, the Advisors, or the Secretary General, followed by the decisions arrived at;
- b) that the Secretary General would circulate the draft Minutes as soon as possible after each Meeting;
- c) that if all three Commissioners were in agreement with the draft, then the Secretary General could consider the Minutes as final and send them out as such to the Commissioners;
- d) that each Commissioner would send amendments required in respect of statements attributed to him direct to the Secretary General without circulating copies of the

request to his colleagues. If the amendments clearly only affected the views expressed by the Commissioner sending the request, then the Secretary General, after sending the Minutes accordingly, could consider them as final and distribute them as such;

- e) that if, however, an amendment requested by one Commissioner was of such a nature as to involve a possible change of substance, or affected some decision, or concerned a passage purporting to incorporate the unanimous views of the three Commissioners, then the Commissioner requesting such an amendment would circulate copies to his colleagues, or failing this, the Secretary General, using his discretion, could do so. If, following such action, agreement was reached between the Commissioners, then the Secretary General would send the Minutes accordingly and send them out to the Commissioners as final. If agreement was not reached, or the amendments requested proved too complicated, then the Minutes would be brought up by the Secretary General for consideration at the next Meeting.

Verbal requests for amendments could be made to Miss Lyons, the Secretary General's personal secretary. The despatch of a set of Minutes as final did not preclude a Commissioner from reconsidering them and taking up points at a Meeting, provided the Minutes or the subject matter had not already been made public.

The Meeting adjourned at 5.30 p.m.

JAV/URE

C/MT 6/48

TRIPARTITE COMMISSION FOR THE  
RESOLUTION OF AMERICAN GOLD

309

18th Meeting

13th February, 1948 - 3.00 p.m.  
14th February, 1948 - 10.30 a.m.

Present :

H.E. Mr Russell E. BOER

- Commissioner of the Government of the United States of America - Chairman

H.E. Colonel Ronald WINGATE

- Deputy Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland

Monsieur Jacques RUFFY

- Commissioner of the Government of the French Republic

Mr Edward W. O'Flaherty

- Special Assistant to the Commission

Monsieur Paul Gergam

- Special Assistant to the Commission

Secretariat

Monsieur M. Hirigoyen  
Mrs M.R. Allen

The Minutes of the 17th Meeting were amended and approved.

1. Frankfurt Gold - Transport

a) Bank of England

(17th Meeting, Min 1a)

The French Commissioner stated his Government's view that, firstly, the account to be opened at the Bank of England should be in the name of the three Governments together; and, secondly, that a binding declaration should be received from the Bank of England as to this account's security from attachment. He proposed, in order to expedite this matter, that he should ask the French Financial Attaché in London to contact Sir Desmond Norton and discuss and endeavour to settle the question.

It was decided :

- i) to accept the French Commissioner's proposal provided settlement could be arrived at within the next two or three days,
- ii) in the event of delay in settlement, the Commission would re-consider the matter immediately.

b) Pan American Airways

(17th Meeting, Min 1b)

Mr O'Flaherty reported that, during his visit to Frankfurt, with the Deputy United States Commissioner, the Military Authorities had indicated they were prepared to start the movement immediately and that all the actual packing and paper work was in perfect order.

The transport from the vaults at Frankfurt to the plane and from the plane to the Bank of England had all been co-ordinated by Pan American Airways. All that was now outstanding was the submission by Pan American Airways of a formal contract.

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It was decided :

- a) to instruct Mr O'Flaherty to discuss this contract with Pan American Airways, and
- b) to procure, from the United States Military Authority, the best available inventory of the coins to despatch it to the Bank of England.

2. Yugoslavia (47th Meeting, Min. 2a)

The Commission discussed the letter received from Sir Desmond Morton relating to the gold allocated to Italy on account of Yugoslavia, and

It was decided :

- a) in view of the contents of Sir Desmond Morton's letter ~~not~~ to approach the Italian Financial Attaché for the time being, as previously decided at the 47th Meeting, (Min. 2a),
- b) to amend slightly the letter to Yugoslavia and instruct the Secretary to have it typed in final form.

3. Claims - Purchases from Private Persons (44th Meeting, Min. 2)

The French Commissioner reported on a careful study made by Monsieur Hibalet, a competent French jurist, concerning claims for gold purchased from private persons. The general conclusions of this study were that claims should be allowed if the gold, purchased by monetary authorities and held in their accounts as monetary reserve of the claimant country, had been wrongfully removed to Germany. However, the claim should not be allowed if the institution that purchased the gold was not a genuine national monetary authority which maintained the claimant country's monetary reserve, but was only a ~~paper~~ organisation acting on behalf of the Germans to prepare and camouflage the seizure by German authorities.

The United States Commissioner was of the opinion that this suggestion might not give full effect to the provisions of the Paris agreement. He recalled that the Commission's definition of monetary gold had been adopted in the light of administrative necessities and should, in his opinion, be construed as broadly as the administrative considerations would permit.

The Meeting adjourned at 6.15 p.m. and was resumed on 14th February, 1948, at 10.30 a.m.

4. Claims

- a) Netherlands - External Occupation Cost Levy - 35,919 Kgs (11th Meeting, Min. 2)

The Commission considered the new documents forwarded by the Government of the Netherlands with regard to this claim.

In view of the fact that these documents establish satisfactorily that

- i) the removal of this gold was ordered by the Germans as a levy for external purposes,
- ii) The Dutch were in no position at the time to contest the German demand or to negotiate as to alternative methods of payment,
- iii) The Dutch did not obtain any reduction of their occupation costs in connection with the payment of this levy.

It was decided :

to allow the Dutch claim for 35,919 Kgs, wrongfully removed to Germany as a levy for external costs.

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b) Czechoslovakia - Cover for notes withdrawn from Sudetenland -  
11,526,810 Kgs

The Commission considered the new documents forwarded by the Czech Government with regard to this claim. These documents establish satisfactorily the ownership of this gold and its removal to Germany.

However, The French Commissioner would like further light to be thrown on the illegality of the transfer to Germany.

The idea of spoliation can only be introduced : either if force was brought to bear upon Czechoslovakia under the Munich agreement or by the absence of an operation in reverse when the Sudetenland was returned to Czechoslovakia.

He therefore considered that the Commission should be informed before making a definite decision

- i) what were the exact conditions of this financial transaction,
- ii) what were the monetary conditions and consequences of the restitution of Sudetenland to Czechoslovakia,
- iii) what were the monetary conditions and consequences of the evacuation of Sudetenland inhabitants to Germany after the war.

It was decided :

- a) that the French Commissioner would submit a memorandum giving the list of further questions he thought Czechoslovakia should be asked,
- b) that the Secretary should procure a copy of the Munich Agreement and copies of the Czech laws in regard to the reannexation of Sudetenland.

5. Distribution - Second Series of Allegations (46th Meeting, Min. 1)

Albania

It was decided :

to take into account for the calculations of allocation made in this distribution, not only the claim for 78,4865 Kgs already allowed at the 39th Meeting but, also, the claim for 2,328.7365 Kgs provisionally allowed at the 47th Meeting.

The Meeting adjourned at 1.30 p.m.

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TRIPARTITE COMMISSION FOR THE  
RESTITUTION OF MONETARY GOLD.

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44th Meeting

30th January, 1948 - 3.00 P.M.

Present:

- |                          |  |
|--------------------------|--|
| H.E. Mr. Russell H. BOHR | - Commissioner of the Government of the United States of America - Chairman                  |
| H.E. Sir Desmond MORTON  | - Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland |
| Monsieur Jacques RUEFF   | - Commissioner of the Government of the French Republic                                      |
| Mr. Alex B. Daspit       | - Deputy Commissioner of the Government of the United States of America                      |
| Mr. Edward W. O'Flaherty | - Special Assistant to the Commission.   |

Secretariat

Monsieur M. Hirigoyen  
Mr. M. B. Allen

The Minutes of the 42nd Meeting were amended and approved.

1. Gold Distribution - Second Allocations. (42nd Meeting, Min. 3)

a) Draft Letters to Claimant Countries.

The Commission considered and revised the draft letters to claimant countries informing them of the second allocations and instructed the Secretary to prepare fresh drafts.

b) Draft Letters to Recipients.

After consideration of the drafts,

It was decided:-

to instruct the Secretary to prepare three different letters to Austria, Albania and Czechoslovakia respectively on the lines laid down by the Commission.

2. Claims - Purchases from Private Persons. (43rd Meeting, Min 1)

a) Czechoslovakia - 1,009 kgs.

It was the opinion of the United Kingdom Commission that advice was required to ascertain whether the Czechoslovak National Bank was an independent monetary authority on August 21, 1940.

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b) Netherlands - 28,837 kgs.

On the evidence received, there was no doubt that the Netherlands Bank was a monetary authority.

It was decided

to instruct the Secretary to request full particulars,

- i. from the Czech Government as to credits received by the Czechoslovak National Bank in the Reichsbankgirekonto and any withdrawals therefrom;
- ii. from the Netherlands Government as to what happened to the countervalue received.

c) Poland

The Commission considered that the whole of this claim lacked detailed and verifiable data and Mr. O'Flaherty stated that no pertinent information was available from the COMCUS Reports made up from the Reichsbank Berlin records.

It was decided:-

- i. to instruct the Secretary to request data from the Polish Government on the whole of this claim,
- ii. to request Mr. O'Flaherty to draw up an additional memorandum setting out the cases of the Reichskreditkassen and the Emissionbank separately.

3. Claim of Italy - 21,423,4306 kgs.

The United Kingdom Commissioner asked if decision could be taken on the above portion of Italy's claim and after discussion,

It was decided:-

to instruct the Secretary to request further particulars from the Italian Government as to the date upon which the 43 kgs were transferred from Hungary to Italy, so as to establish whether this gold was received by Italy before or after the Gold Declaration of the United Nations.

The Meeting adjourned at 5.45 p.m.

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TRIPARTITE COMMISSION FOR THE  
RESTITUTION OF MONETARY GOLD.

37th Meeting

16th January, 1948 - 10:30 a/m/

Present:

H.E. Mr. Russell H. DORR	- Commissioner of the Government of the United States of America - Chairman
H.E. Sir Desmond MORTON	- Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland.
M. Jacques RUEFF	- Commissioner of the Government of the French Republic.
Mr. Alex B. Daspit	- Deputy Commissioner of the Government of the United States of America.
H.E. Colonel Ronald Wingate	- Deputy Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland.
Mr. Edward W. O'Flaherty	- Special Assistant to the Commission

Also present:

Mr. David Maitland	- The Treasury, London
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Secretariat

M. M. Hirigoyen  
Miss S. R. Mayne.

The Minutes of the 36th Meeting were amended and approved.

1. Claims

Albania

(11th Meeting, Min. 2)

a) Claim for 2,217.8557 kgs

The Commission considered the question of the Albanian claim in the light of the following problems:

- i. whether, if allowed, the share due on the claim for the Bank of Albania gold looted from Rome be allocated to Albania or to Italy,
- ii. the discrepancy between the figures submitted by the Albanian and Italian Governments as to the quantity of such gold.

It was decided:-

- a) to request further information from the Albanian Government regarding the exact amount;
- b) that the United Kingdom Commissioner would undertake to obtain clarification of the legal aspect,

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- c) that the three Commissioners would communicate with their respective Governments to determine what significance should be attached to the Albanian Decree in regard to the National Bank of Albania.

Austria - Salzburg Gold.

(36th Meeting, Min. 3)

It was decided:-

to allow for allocation the amount of 16,628.0554 kgs, reserving 4,314.7825 kgs - Salzburg Gold - for further consideration.

Czechoslovakia.

(31st Meeting, Min 2d)

With regard to the gold held at the Bank of England through the Bank for International Settlements and the gold held by the Skoda and Zbrojovka firms,

It was decided:-

- a) to defer decision on this claim until the supplementary data had been studied;
- b) that the Chairman would suggest informally to the Czech Delegate to the Inter-Allied Reparation Agency that action would be further delayed unless the requested evidence was submitted promptly.

Greece.

(11th Meeting, Min. 2)

As no further evidence had yet been supplied despite frequent requests to the Greek Government,

It was decided:-

that the Chairman would approach the Greek Delegate to the Inter-Allied Reparation Agency and inform him of the urgent need for submitting data.

Italy - Claim for 60,990.7727 kgs.

(35th Meeting, Min. 3)

In view of the fact that Mussolini took this gold from the legitimate Government and that it had been suggested to the Commission that such Government may have benefitted from the transaction between Mussolini and the Germans by cancellation of a debt owed by it to Germany,

It was decided:-

- a) to request from the Italian Government an explanation as to the exact nature of the "war expense fund" mentioned in the Rahn-Mazzolini Agreement, and to postpone decision until this information had been received;
- b) that the French Commissioner would approach the Financial Attache of the Italian Embassy, who was also an official of the Bank of Italy, generally in this connection.

Netherlands.

(20th Meeting, Min 1c)

1. Arnhem and Meppel Gold - 971 kgs.

As no information had been received,

It was decided:-

that no action could be taken at this time.

2. Occupation Cost Levies and Occupation Purchases - 64,756 kgs.

The United States Commissioner stated that the position of his Government was that this was merely another form of looting and that the claim should be allowed:

The French Commissioner maintained that this may have been a similar case to that which occurred in France, in which the Germans offered France a 50% reduction in occupation levies provided payment were made in gold.

It was decided:-

to deliver to the Austrian Minister in Brussels an order on the Federal Reserve Bank of New York for 4,747.7509 kgs of gold on account of the share allocated to Austria from the deposit at that bank in the preliminary distribution,

The Meeting adjourned at 1:00 p.m.

**TRIPARTITE COMMISSION FOR THE  
RESTITUTION OF MUNICH GOLD.**

16th Meeting.

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16th January 1948 - 10.30 a.m.

Present :

- |                                  |   |
|----------------------------------|---|
| H.E. Mr. Russell H. DOER         | - Commissioner of the Government of the United States of America - Chairman (Present in the morning only) |
| Mr. Alex B. DASPER               | - Deputy Commissioner of the Government of the United States of America - Deputy Chairman                 |
| H.E. Colonel Ronald WINDATE      | - Deputy Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland       |
| H.E. Monsieur Henry SPITENHILLER | - Deputy Commissioner of the Government of the French Republic  |
| Mr. Edward V. O'Flaherty         | - Special Assistant to the Commission   |

Secretariat

Monsieur M. Kirigoyan  
Miss S.E. Mays

1. Minutes of Commission Meetings.

The Commission examined and formally approved the Minutes of the 13rd - 15th Meetings inclusive. The approval of the Minutes of the 11st Meeting was deferred.

2. Draft Letter to Poland. (15th Meeting, Min.1)

The Commission considered the draft submitted by the United States Commissioner and made various amendments.

It was decided:-

to instruct the Secretary to prepare the final letter for signature.

3. Claim of Austria - Salzburg Gold. (11st Meeting, Min.1)

The Commission again considered the question raised by the handing over to Austria by the United States Military Authorities of 4,314,785 kgs of fine gold.

In determining whether the Salzburg gold should be included in the Pool, the discussion revolved around two main points:-

- a) whether or not Austria was a part of Germany,
- b) whether or not Austria could be considered as a third country under Part III, Article G, of the Paris Agreement on Reparations.

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**It was decided:-**

to continue the discussion as necessary.

The Meeting adjourned at 1.00 p.m. and was resumed at 4.00 p.m.

**4. Summary Review of Chair's Status.**

The Commission considered the table prepared by the Secretariat giving the status of all claims as at the present date. Mr. O'Flaherty reported on the information and evidence still required from certain countries.

**It was decided:-**

- a) to instruct the Secretary to forward reminders to Italy and the Netherlands;
- b) that the Chairman would approach the Czech Delegate to the Inter-Allied Reparation Agency to enquire when the technical evidence regarding a portion of the Czech claim (6,000 kgs) could be expected to arrive, and to present him with the specimen documents for the second distribution.

**5. Second Distribution.**

(26th Meeting, Min.3)

**It was decided:-**

- a) to fix the tentative date for the second distribution for the 26th January, 1948;
- b) as the Russian and Swedish gold had not yet been made available to the Commission, to make the second distribution on the basis of the same percentages as were used for the first distribution;
- c) to make allocations on the claims which had been already formally allowed, i.e. Austria 16,628,0554 kgs, Czechoslovakia 6,375,8588 kgs, Bank of Danzig 3,821,2851 kgs, and also on the Czech claim for 6,920,5597 kgs if the necessary evidence shall have been supplied before 26th January;
- d) to utilize for the second distribution the gold held at the Federal Reserve Bank of New York for the allocations to Austria and Czechoslovakia. It was not at present possible to make any allocation on the claim allowed with regard to the Bank of Danzig gold.

**6. Frankfurt Gold - Transport.**

(30th Meeting, Min.8)

Mr. O'Flaherty reported on various facilities for transporting the gold from Frankfurt to Brussels, London, or New York, and the comparative costs of this transportation.

The United Kingdom Commissioner informed the Commission of details which he had received from his Government on the facilities and costs of transportation through England to New York.

Final decision was deferred pending receipt of a reply from the National Bank of Belgium on the question of the immunity from attachment of gold deposited in that bank in the name of the Commission or the three Governments, and until the United States Commissioner receives a reply from the United States Government concerning the possibility of transporting the gold by United States Army carriers.

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It was decided:-

- a) that the French Commission would approach the National Bank of Belgium for a check on early supply.
- b) that the United States Commission would urge his Government for a donation.

c) that the Secretary should prepare a table showing the various alternative means of transportation and the comparative costs. The Government of the United States of America - Division (Present in this meeting only)

7. Gold held in the British Zone of Occupation - Germany.  
 The Commission considered the return relative to the Division, U.S.G., (D.E.) Berlin, stating that roughly 1/2 of monetary gold had been recovered in that zone.

It was decided:-

that the United Kingdom Commission would communicate with his Government, by whatever means, or through the Government, whether the form was of gold delivery, and to request any additional information concerning the coins.

8. Gold held in the French Zone of Occupation - Germany.

The Commission took note that the only gold found in the French Zone was 1,525 kg deposited in the Reichsbank at Commerce in the name of the Bank for International Settlements. As this involved the general question of restitution by the Bank for International Settlements of gold acquired from Germany during the war,

It was decided:-

to defer any decision on this point until agreement on the general program for the disposal of the gold in the hands of the Bank for International Settlements.

2. The meeting adjourned at 6:30 p.m.

The Commission considered the draft submitted by the United States Commission and made various amendments.

It was decided:-

to instruct the Secretary to prepare the final letter for signature.

3. State of Austria - Salzburg Gold.

The Commission again considered the question raised by the hearing near to Austria by the United States Military Authorities of 4,116,735 kg of fine gold.

in determining whether the military gold should be included in the total, the discussion revolved around two main points:-

- a, whether or not Austria was a part of Germany,
- b, whether or not Austria could be considered as a third country under Art. VII, article 3, of the Paris Agreement on Reparations.

**TRIPARTITE COMMISSION FOR THE  
RESTITUTION OF MILITARY GOLD.**

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**Next Meeting.**

4th December 1947 - 10.30 am.  
4th December 1947 - 5.30 pm.  
9th December 1947 - 3.00 pm.

**Present:**

- |                                 |   |
|---------------------------------|---|
| <b>Mr. Alex B. RASPIN</b>       | - Deputy Commissioner of the Government of the United States of America - Chairman            |
| <b>H.E. Sir Desmond MOYON</b>   | - Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland. |
| <b>M. Jacques HENF</b>          | - Commissioner of the Government of the French Republic.                                      |
| <b>H.E.M. Henry Spitzmuller</b> | - Deputy Commissioner of the Government of the French Republic.                               |
| <b>Mr. Edward W. O'Flaherty</b> | - Special Assistant to the Commission (US)  |
| <b>M. Paul Gargan</b>           | - Special Assistant to the Commission (Fr)  |

**MEMORANDUM**

M. M. Hirigoyen  
Mrs. M.B. Allen

1. **Claim of AUSTRIA (30th Mtg - Min 1a)**

**Salzburg Gold - 4,514,705 lbs.**

The French Commissioner felt that investigation should be made as to whether this was looted gold brought into Austria by Germany. He had been informed by M. Gargan, of enquiries effected in June 1945 by the American Services at Frankfurt, which showed that a fraction of the Belgian gold coins of the Latin Union looted by Germany had been transported to Vienna and figured on the books of the Reichsbank at Vienna, in the account "Goldbestand". As part of the Salzburg gold contained coins of the Latin Union, there was an assumption that this might prove to be looted gold.

The Commission realized that it was at present outside its power to decide as to whether the Salzburg gold should form part of the pool, it being a matter for discussion between the three Governments concerned. However, to assist in the clarification of this matter,

**It was decided:-**

- a) to study the points raised by M. Gargan, and to elicit further information from COMUS;
- b) to request further information from Austria;
- c) that each Commissioner would inform his Government, separately, of the various points arising out of the discussion at this Meeting.

/s.

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## 2. Classification of Claims.

### It was decided:-

#### a) AMERICA (14th Mtg - Min. 2)

to allow for the second series of allocations the amount of 16,622,052 kgs - balance of the gold reserve of the American National Bank - classified as "possibly valid" for the first distribution, reserving 4,344,725 kgs (equivalent of the Salzburg gold) for further consideration.

#### b) FRANCE

to defer decision on the claim for 93,400 kgs - J.P. Penetiere Foundation.

#### c) POLAND

i) to reject the claim for 132,300 kgs - taken from concentration camps and seized from private persons - as this gold was not part of the monetary reserve of Poland at the time of looting.

ii) to allow the claim on account of the Bank of Danzig for the monetary reserve published in August 1939, amounting to 3,827,205 kgs. Considering the special position of Danzig, the Commission had not the power to decide upon the authority competent to receive any gold allocations on account of this claim.

#### d) CZECHOSLOVAKIA.

i) to allow for the second series of allocations the claim for 6,575,000 kgs - coins belonging to the Czech National Bank,

ii) to allow, with respect to the claim for 21,007,920 kgs - gold held by the Bank of England - the amount of 4,320,597 kgs, the balance, gold sold to the Reichsbank by the Czech National Bank 12,768,960 kgs acquisitions of German gold transferred in Switzerland 3,917,363 kgs  
16,166,743 kgs

being subject to further examination, and a request for further data from the Czech Government and therefore remaining amongst the "possibly valid" cases.

## 3. Draft Letter to Poland.

The Commission considered the draft letter proposed by M. Spitzmuller, and after discussing the various points,

### It was decided:-

that M. Gargan and Mr. O'Flaherty should undertake jointly to check the technical points and submit a new draft at the next meeting.

## 4. Administration. (9th Mtg - Min 2c)

#### a) Income Tax

At its 9th Meeting, it had been decided by the Commission to conform to precedents created by the Inter-Allied Reparations Agency for its personnel.

Having considered the report submitted by the Secretary, and in accordance with the above decision, the Commission approved the letter informing Mr. O'Flaherty that any income tax, due by him in the United States on his salary received in Brussels, would be reimbursed by the Commission.

b) Appointment.

The Commission approved the appointment of Mrs. Allen as Administrative Assistant to the Secretariat of the Commission with the consequent salary adjustment.

The Meeting adjourned at 6.30 p.m. and was resumed at 3.00 p.m. on following day, 5th December.

5. Dollar Account at the Guaranty Trust Company -(9th Mtg - Min 1.)

The proposals of the Secretary General of the Inter-Allied Reparations Agency to convert into Belgian francs the dollars now held by the Guaranty Trust Company, in order to enable payment of interest, was considered by the Commission.

It was decided:-

- a) to inform the Secretary General of the Inter-Allied Reparations Agency of the Commission's acceptance of his proposals,
- b) to instruct the Secretary to make a further estimate of the Commission's expenses for the first months of 1948.

6. Federal Reserve Bank of New York.

The United States Commissioner stated that the Federal Reserve Bank required authenticated signatures of the Deputy Commissioners sent to that bank through the intermediary of the Secretary of State.

It was decided:-

to instruct the Secretary to prepare a letter, based on the original letter despatched and to obtain specimen signatures of the Deputy Commissioners.

7. Draft Letter to Poland (11st Mtg - Min 3)

The Commission considered the new draft letter to Poland as drawn up by M. Cargan and Mr. O'Flaherty.

The Meeting adjourned at 6.45 p.m.

TRIPARTITE COMMISSION FOR THE  
RESTITUTION OF MONETARY GOLD.

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2nd Meeting

21st October, 1947 - 11.00 a.m.

Present:

- Mr. Alex B. DAVID - Deputy Commissioner of the Government of the United States of America - Chairman
- R.E. Col. Ronald WINGATE - Deputy Commissioner of H.M. Government of the United Kingdom of Great Britain and Northern Ireland
- M. Jacques ROSENFELD - Commissioner of the Government of the French Republic
- Mr. Edward J. O'Flaherty - Special Assistant to the Commission.

Secretariat

M. Michel Birigoyen  
Mrs. E.B. Allen.

1. Preliminary Distribution.

second letter to recipient countries.

The Commission considered draft letters submitted by the Secretary informing the recipient countries of the necessary arrangements for signing documents and delivery of the gold.

2. Claims of Austria

The French Council also circulated the statement concerning the 4,314.7825 kgs of gold found at Halsburg, the text of which is given below:

" The French Government agreed to allow to Austria a share in the distribution of the gold transferred by Switzerland. At the same time, it felt that it should be clearly understood that the 4,314.7825 kgs of gold handed over by the American High Command to the Government of Vienna should be charged against the share which would finally accrue to Austria.

If this were not so, France could not agree to the handing over of the non-monetary gold found in Austria to the International Refugee Committee. The Paris Act must be consistently applied, for it was inconceivable that Austria should be regarded as an integral part of Germany, for the purposes of the provisions of Article 8 of the said Agreement relating to non-monetary gold, and as a third party country for the purposes of the application of Art III dealing with monetary gold. "

The meeting adjourned at 12.30 p.m.

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Approved at 45th  
Meeting, on 2nd February.

TRIPARTITE COMMISSION FOR THE  
RESTITUTION OF MONETARY GOLD.

19th Meeting

16th October, 1947 - 4.00 p.m.

Present:

Mr. Alex B. DASPIT	- Deputy Commissioner of the Government of the United States of America - Chairman
H. E. Sir Desmond MORTON	- Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland
Monsieur Jacques RUFFE	- Commissioner of the Government of the French Republic
Mr. Edward W. O'Flaherty	- Special Assistant to the Commission

Secretariat

Monsieur M. Hirigoyen  
Mrs. M. E. Allen

1. Claim of Austria. (18th Meeting, Min. 1a)

The United Kingdom Commissioner stated he had received information from the Bank of England to the effect that no trace had been found in its accounts of the gold asserted by Austria to have been held by the Bank of England for the Bank for International Settlements and transferred to the account of the Reichsbank in London in March 1938.

In these circumstances, the United Kingdom Government could not agree to any allocation, as regards this element of the claim, in the preliminary distribution.

It was decided:-

- a) to allow for the preliminary distribution, claims amounting to 57,324,3099 kgs of gold;
- b) to classify as "possibly valid" 16,628.0554 kgs - gold held in London;
- c) to classify as "possibly valid" 12,989.7678 kgs - occupation purchases by the Bank of Austria in liquidation;
- d) to defer settlement on 4,314.7825 kgs (see 11th Meeting, Min 2)

2. Preliminary Distribution.

- a) Form of Waiver. (17th Meeting, Min. 1b)

The United States Commissioner stated he accepted the revised draft form of waiver.

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It was decided:-

to communicate this form of waiver to the recipient Governments at the same time as the Commission notified the arrangements required for the delivery of the gold and signature of the documents in Brussels.

b) Press Communiqué.

(18th Meeting, Min. 1e)

The text of the communiqué having been approved by the three Governments,

It was decided:-

to release the communiqué at midnight, Thursday 17th/Friday 18th October.

c) Letter to all Claimant Countries.

In view of the decision taken as regards the claim of Austria,

It was decided:-

to modify accordingly the letter to all claimant countries, and to despatch this letter announcing the preliminary distribution on the 16th October.

The Meeting adjourned at 6.45 p.m.

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TRIPARTITE COMMISSION FOR THE  
RESTITUTION OF SEIZED GOLD

12th Meeting

6th October, 1947 - 3.30 p.m.

Members

- |                              |  |
|------------------------------|--|
| U.S. Mr. Russell B. ROSS     | - Commissioner of the Government of the United States of America - Chairman                  |
| U.K. Sir Desmond MOYSE       | - Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland |
| U.S. Monsieur Emory SPINDLER | - Deputy Commissioner of the Government of the French Republic                               |
| Mr. Edward W. O'Flaherty     | - Special Assistant to the Commission  |
| Monsieur Pol Cargem          | - Special Assistant to the Commission  |

Secretariat

Monsieur M. Strigonen  
Mrs. H.B. Allen

1. Claim of Poland (12th Meeting, Min. 1.)

The Commission re-examined the claim of Poland in the light of the statement made by the Polish Representative, M. Bartol, at the 12th Meeting.

In view of the admission made by the Polish Representative that gold confiscated in concentration camps was not military gold, and that the Polish Government was unable to provide detailed and verifiable data regarding the amount of this gold - already recorded in the 12th Meeting,

It was decided:-

- a) that in view of this the Commission was very doubtful whether the particular Polish claim could succeed;
- b) nevertheless, to take a final decision on the Polish claim only after letters had been drafted to other recipient countries.

2. Preliminary Distribution

- a) Notification to Claimant and Recipient Countries

(11th Meeting, Min. 3b)

The Commission examined and amended various drafts laid before it by the Secretariat.

- b) Belgium

The French Commissioner suggested that unless the Commission informed the Belgian Government that the allocation made to it was solely on account of gold already restored to Belgium by the Bank of France and for which the Belgian Government had agreed to reimburse the Bank of France, the Belgian Government might think itself authorized to draw on this allocation to the extent of the 6 tons claimed as having been removed from the Belgian Bank of Issue.

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**It was decided-**

that suitable mention of the above should be made in the letters to be addressed both to the Belgian and to the Luxembourg Governments.

The meeting adjourned at 6.30 p.m.

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TRIPARTITE COMMISSION FOR THE  
RESOLUTION OF MONETARY GOLD.

12th Meeting

6th October, 1947 - 12.00 a.m.

Members:

- |                                  |  |
|----------------------------------|--|
| H.E. Mr. Russell S. DODD         | - Commissioner of the Government of the United States of America - Chairman                  |
| H.E. Sir Bernard BURNES          | - Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland |
| H.E. Monsieur Henry SPITSCHELLER | - Deputy Commissioner of the Government of the French Republic                               |
| Mr. Alex B. Dooptit              | - Deputy Commissioner of the Government of the United States of America                      |
| Mr. Edward J. O'Flaherty         | - Special Assistant to the Commission  |

Also Present:

- |                        |   |
|------------------------|---|
| Monsieur Edward Bartol | - Charge d'affaires of Poland in Brussels |
|------------------------|---|

Secretariat:

- |                       |
|-----------------------|
| Monsieur M. Mirigoyan |
| Mrs. M.S. Allen       |

1. Opening of the Representative of the Government of Poland. (11th Meeting, Min. 2.)

a) On receiving the Representative of the Government of Poland, the United States Commissioner, as Chairman of the Commission, recalled that the Commission was constituted under the Paris Agreement on Reparation of January 26th, 1946, to examine claims filed by countries for the return of monetary gold looted or wrongfully removed from them by Germany, and to determine the extent to which these claims could be allowed under the terms of that agreement.

b) Monsieur Bartol thanked the Commission for affording his Government the present opportunity and proceeded to read a statement in French.

c) Monsieur Bartol, at the request of the Chairman, stated he would supply the Commission with copies of his statement in French and in English.

(NOTE: Copies in French were subsequently received by the Secretariat and distributed to the three Commissioners, but no copies in English were received from the Representative of the Government of Poland.)

d) Monsieur Bartol handed to the Chairman copies of two documents which he had referred to in his statement and, in reply to questions, stated that they were merely copies of originals kept in Warsaw. They were official notes of verbal conversations upon which no signatures appeared.

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e) In reply to questions put by the Chairman, Monsieur Bartel

- (i) stated that Poland had no claims to put forward other than those already filed;
- (ii) agreed that gold looted in concentration camps was not monetary gold at the time of looting. But he contended that this gold subsequently formed part of the monetary reserve of the Reich and, therefore, became monetary gold;
- (iii) said the so-called Luzzig gold was claimed by Poland and was undoubtedly monetary gold at all times, as was gold looted from the Banks of Issue in Poland.

f) The Chairman thanked Monsieur Bartel in the name of the Commission for the statement he had made and assured him that the Commission would take it into account with the other documents received from Poland which it was already studying.

The Meeting adjourned at 1.15 p.m.

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Approved at 45<sup>th</sup> Meeting  
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**TRIPARTITE COMMISSION FOR THE  
RESTITUTION OF MONETARY GOLD.**

**15th Session.**

**3rd October, 1947 - 10.30 a.m.**

**Present:**

- U.S. Mr. Russell E. BURN** - **Commissioner of the Government of the United States of America - Chairman.**
- U.K. Sir Desmond MORTON** - **Commission of His Majesty's Government of the United Kingdom of Great Britain and Northern Ireland**
- U.S. M. Henry SPITZMULLER** - **Deputy Commissioner of the Government of the French Republic**
- Mr. Alex R. Dugitt** - **Deputy Commissioner of the Government of the United States of America.**
- Mr. Edward W. O'Flaherty** - **Special Assistant to the Commission (US)**
- M. Paul Geyser** - **Special Assistant to the Commission (Fr)**

**Also Present:**

- M. de La Grandiere** - **Representative of the Ministry of Finance of the Government of the French Republic.**

**Invited:**

**M. Michel Hirigoyen  
Mrs. M.B. Allen.**

**1. Claim of the NETHERLANDS.**

**The position of the French Government was stated as follows:-**

- a) the claim relating to 971 kgs seized at London and that for 1,336 kgs seized at Bommel could be allowed subject to provision of proofs that this gold still formed part of the monetary reserve of the Netherlands although it had been set aside for industrial purposes.**
- b) the claim relating to 9,571 kgs recovered from a sunken ship and that for 68,974 kgs paid to the Germans as a war contribution could be allowed.**
- c) the claim relating to 28,857 kgs of gold bars and coins purchased from private persons during the occupation must be set aside until an overall decision is taken regarding other claims of the same type.**
- d) the claim relating to 35,919 kgs of gold paid to Germany by the Netherlands in partial settlement of occupation costs must be the subject of further consideration. It is possible that the Netherlands obtained a substantial reduction of their taxes as a set off against the payments in gold made in this connection. The admission of such a claim would lead to the creation of inequalities among countries which had to bear occupation costs. Some of them, in fact, were either unable, or did not wish, to pay in gold; they paid by means of securities which cannot form the subject of any special claim for restitution.**

## 2. Claim of Austria.

In view of the satisfactory evidence provided, the claim for 78,267.1478 kgs was allowed, but other claims were provisionally recorded as "possibly valid".

The question of the account which should be taken by the Commission of the 4,314.7825 kgs. of gold found near Salzburg by the United States Armed Forces and handed over to the Austrian Government was considered. The United States Commissioner expressed the view that this gold could not be considered part of the pool of monetary gold since the annexation of Austria had been illegal and the Austrian territory could not be considered as having been an integral part of the Reich.

The Commission agreed, however, that the delivery of this gold to Austria raised a problem and that in this connection an effort should be made to establish precisely the source of this gold. Pending the receipt of additional information on this point and a final decision as to whether, and to what extent, the receipt of the gold in question might affect the Austrian claim, the problem was deferred.

The French Commissioner recalled that the question was actually being studied in Washington between the United States and French Governments, and hoped that no prejudgment would be made as to the decision to be taken after the enquiry envisaged. He asked, in this connection, that a weight of gold equivalent to the gold in question be set aside from the delivery to Austria.

### It was decided:-

as a temporary compromise, and so as not to delay nor decrease too considerably the first allocation, it was possible to make to Austria, that, in calculating the share in the preliminary distribution, the amount of 4,314.7825 kgs, representing the total fine gold content of the Salzburg gold, would be deducted from the total Austrian claim already approved as valid by the Commission. The effect of this decision was to reduce the valid Austrian claim for 78,267.1478 kgs to 73,952.3653 kgs. For purposes of convenience in bookkeeping under the form utilized by the Commission, 4,314.7825 kgs representing the amount of the Salzburg gold would be classified as "possibly valid".

## 3. Summary of Respective Monetary Claims.

The Commission discussed with the Secretariat the evidence so far received from the countries on their various claims.

### It was decided:-

#### ALBANIA.

Since this gold had been looted by Germany from Italy and since the sum involved was stated differently by Albania and Italy, the Albanian claim would be classified as "possibly valid", pending further information.

#### BELGIUM

In view of the satisfactory evidence provided, the claim for 198,433.8417 kgs was allowed. The claim for 6,434.2319 kgs was considered "possibly valid" pending further consideration.

#### CZECHOSLOVAKIA

Although the United Kingdom Commissioner regarded the annexation of the Sudetenland as illegal, no evidence was available regarding the ownership of the 14,536 kgs representing the backing for notes removed from Sudeten territory or as to the exact circumstances of its looting. Furthermore, the monetary conditions of the union of Sudetenland to Czechoslovakia were not known to the Commission.

The United Kingdom Commissioner had not received information asked for regarding 21,067 kgs, which had passed through the Bank of England.

Certain evidence was also lacking in regard to other claims.

All claims were to be classified provisionally as "possibly valid".

#### SWITZERLAND

All claims being subject to the provision of additional information were provisionally classified as "possibly valid".

#### ITALY

The claim for 8,329 kgs on account of gold acquired by Italy from Yugoslavia and subsequently seized by the Germans was allowed on condition that no actual payment could be made until Italy had signed the Protocol admitting Italy to participation in the pool of monetary gold covered by Part III of the Paris Agreement on Reparation. Further, no actual payment could be made to Italy until arrangements had been concluded between the Governments concerned for the restitution by Italy of gold to Yugoslavia, and also to France.

Other claims by Italy were provisionally classified as "possibly valid" pending receipt of additional evidence.

The meeting adjourned at 1.30 p.m. and was resumed at 3.30 p.m.

#### HUNGARY

Considering the evidence provided on account of 4,223.7040 kgs was fully satisfactory this claim was allowed.

The claim on account of 93,4988 kgs concerning the J.P. Pescatore Foundation would provisionally/recorded as "possibly valid".

#### POLAND

The decision upon the Polish claim was deferred until the Commission had heard a statement from the Representative of Poland.

#### YUGOSLAVIA

Having decided to allow the claim made by Italy for 8,329 kgs on account of gold acquired from Yugoslavia and subsequently looted by the Germans, the corresponding Yugoslav claim was disallowed subject to further consideration of the difference in the Yugoslav and Italian claim of the actual value concerned. The Italian figure being the lower was accepted.

The rest of the Yugoslav claim was provisionally classified as "possibly valid" pending the receipt of further evidence.

#### NETHERLANDS

Taking into account the views of the French Government stated above in Minute 1b., the claim for 9,571 kgs recovered from a sunken ship and for 68,994 kgs paid to Germany as a war contribution were allowed.

Other claims were provisionally classified as "possibly valid".

#### 4. Preliminary Distribution

##### a) Gold to be used

Gold due from Sweden and Rumania was still not available for distribution.

/only

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only the Frankfurt gold and that gold made available by Switzerland to the Federal Reserve Bank of New York could be used at the moment.

It was decided:-

So far as possible to allocate to each recipient country a corresponding proportion of the gold at Frankfurt and of the gold held in the Federal Reserve Bank.

b) Notification to Claimant and Recipient Countries.

After discussion,

It was decided, in principle:-

- 1) to send a letter to all claimant countries explaining the general conditions which would govern the preliminary distribution;
- ii) to send to recipient countries a letter stating the amount allocated to each, the conditions to govern the actual transfer of the gold and the powers and credentials which the recipient Government would be required to furnish for its Representatives;
- iii) to send, in the case of Italy and Yugoslavia, a more detailed letter explaining the special circumstances surrounding the Italian claim which had been allowed.

The Meeting adjourned at 7.00 p.m.

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1st Meeting

20th September, 1947 - 11.0 a.m.

Present:

- M. J. Mr Russell H. MBE - Commissioner of the Government of the United States of America - Chairman
- M. J. Mr Leonard MBE - Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland
- M. J. Monsieur Henry G. MBE - Deputy Commissioner of the Government of the French Republic
- Mr. Joz B. MBE - Deputy Commissioner of the Government of the United States of America
- Mr. Bernard J. MBE - Special Assistant to the Chairman
- Monsieur Jol Gerges - Special Assistant to the Chairman

Protocols

Monsieur M. Hirtogyan  
Mr. J. J. Allen

1. Washington Release.

The Commission noted a statement made by the United States Commissioner regarding the premature release made in Washington of the proposed date for the preliminary distribution. In reply to various questions raised by the United Kingdom and French Commissioners, the United States Commissioner undertook to investigate the source of the leakage.

2. Frankfurt Gold.

The United States Commissioner informed the Commission of his Government's proposal to distribute from Frankfurt that gold, the gross weight of which had been determined on United States Mint coins and by United States Mint personnel. This proposal had been made to bring into account the necessity of not holding the preliminary distribution and the question raised at an earlier meeting that this gold might be liable for at least part to be transferred to a central bank. The French Commissioner stated that he was willing to conform to this proposal, subject to the United States Government taking full responsibility as to the exactitude of the quantity and quality of this gold, and the Commission free from all responsibility. The United Kingdom Commissioner concurred with the statement of the French Commissioner.

3. Gold Distribution at Frankfurt.

Participation of the Commission.

The question as to the extent to which the Commission would participate in the actual assembly of the shares was also noted.

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It was decided:-

- a) that a representative of the Commission be sent to Frankfurt to observe the gold operations;
- b) that the Commission would agree to pay the expenses of sending a United States Mint official to Frankfurt, as suggested by the United States Government, it being understood that the Commission had no control over his activities, and it being the opinion of the Commission that this was a reasonable administration charge against the gold pool.

4. Negotiations with Third Countries:-

The question as to whether the Commission should bear the expenses incurred by the experts who negotiated agreements with Switzerland, Sweden, and Portugal, for the return of gold acquired from Germany during the war by those countries, was discussed.

Since it was impossible to disentangle the expenses incurred in making the Dufrenoy Agreements from those involved in gold negotiations,

It was decided:-

to reject the idea.

5. New Documents Received:-

The Secretary reported that fresh material had been received from Italy and Austria and had been circulated to the Commission.

6. Claims:-

Albania:-

As the documents supporting the claim were neither photostatic nor individually authenticated copies of the originals, and as one copy only bore the signature and seal of the Minister of Finance,

It was decided:-

to defer this question until further data and authentication had been received from the Albanian Government.

Czechoslovakia:-

At its 8th Meeting, the Commission had considered the recommendations and conclusions reached by Mr. O'Flaherty and, at the request of the French Commissioner, M. Gurgon now submitted his views.

For the most part, he was in agreement with Mr. O'Flaherty, but he suggested that one or two points should be considered by the Commission:

a) as regards the claim for 14,536,200 lbs of gold, M. Gurgon stated that the Commission should know the monetary conditions of the reunion of this territory with Czechoslovakia, and until then this claim could not by rights be allowed in the preliminary distribution,

b) as regards the claim for 23,017,300 lbs of gold, M. Gurgon stated that the Commission should know whether Czechoslovakia had already received compensation for the claims, or some part, of this gold, which, at the time of the invasion of Czechoslovakia, was transferred to the Reichsbank through the Bank for International Settlements.

As regards the latter claim, the United Kingdom Commissioner stated that he wished to clear up one or two points with the Bank of England.

It was decided:-

- a) to classify as "possibly valid" the claim for 14,536,200 lbs of gold owed to the Reichsbank in accordance with a monetary arrangement between that bank and the National Bank of

Czechoslovakia, and to request supplementary data from the Czech Government;

- b) to classify as "possibly valid" the claim for 1,000,014 1/2 lbs of gold administered by the Czechoslovak and Slovakians, and to request further information from the Czech Government as to its monetary character;
- c) to classify as "possibly valid" the claim for 25,007,300 lbs of gold at the Bank of England and transferred to the Reichsbank pending the receipt of information from the United Kingdom Commissioner and additional data from the Czech Government;
- d) to classify as "possibly valid" the claim for 6,375,000 lbs of coins belonging to the Czech National Bank.

At the request of the United States Commissioner, Mr. O'Flaherty gave a brief statement as to the exact nature of the COMSEC Report from which he had derived information which confirmed the assertions of the Czech Government.

As regards the claim for 6,375,000 lbs of coins, although the COMSEC Report confirmed inevitably that the claim submitted by the Czech Government was well founded, it was still necessary to request the complete evidence from the Czech Government.

Italy.

The United States Commissioner proposed that the Commission consider the claim for 1,777,500 lbs of gold belonging to Istanbul. However, only the origin of the gold had been satisfactorily explained, but the proofs of ownership had not been received. Therefore,

It was decided:-

to defer discussion of this point pending a further study of the files submitted, and to request further information from the Italian Government.

Netherlands

The French Commissioner stated that French jurists were being consulted on various points arising out of this claim. He could not therefore, take any decisions at this time.

In reply to the United Kingdom Commissioner, Mr. O'Flaherty said that as regards the statement "gold held for industrial purposes" made by the Dutch Government, it appeared that the Germans had permitted the Netherlands Bank to hold an amount of 2,500 lbs of gold for industrial purposes, but that this gold still remained part of the monetary reserve of the country.

It was decided:-

to defer discussion of this claim until the next meeting.

7. Spain

Concerning the proposed hearing of a Polish Representative, the French Commissioner said his Government opposed this proposal which might involve the Commission in a discussion of the Polish claim and the definition of monetary gold. The United States Commissioner recalled, however, that no discussion had been envisaged and,

It was provisionally decided:-

to hear the Polish Representative, on condition that the Commission did not enter into discussion with him.

The meeting adjourned at 7.00 p.m.

TREASURY COMMISSION FOR THE  
RESTITUTION OF AMERICAN GOLD.

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9th Meeting

20th September, 1947 - 11:00 a.m.

Present:

- |                                 |  |
|---------------------------------|--|
| Mr. Alex B. DAVIS               | - Deputy Commissioner of the Government of the United States of America.                       |
| M.E. Sir Desmond MORTON         | - Commissioner of H.M. Government of the United Kingdom of Great Britain and Northern Ireland. |
| M.E. Monsieur Henry SPITZMULLER | - Deputy Commissioner of the Government of the French Republic                                 |
| Mr. Edward O'Flaherty           | - Special Assistant to the Commission.   |

Secretariat

Monsieur M. Hirigoyen  
Mrs. M.B. Allen.

The revised Minutes of the 8th meeting were approved, subject to the revision of point 6 of the proposed formula for the preliminary distribution, as follows :

- "6. To establish a contingency reserve by withholding an agreed percentage from the amount paid on each approved claim."

1. Commission Expenses

Sale of gold held at the Federal Reserve Bank of New York

It was decided:-

to sell the 9 ingots shown separately on the bar lists received from the Federal Reserve Bank of New York to cover the expenses of the Commission to the end of 1947, and to hold in reserve the balance to cover the transport costs of the Frankfurt gold, if effected, and any other unforeseen expenses.

2. Administration

a) Personnel

It was decided:-

to conform with the precedents established by the Inter-allied Reparation Agency for its personnel on the following points :

(i) Subsistence Allowance

The permanent personnel of the secretariat arriving from abroad, would receive a similar indemnity to that granted by the Inter-allied Reparation Agency to its own personnel.

(ii) Annual Leave

The annual leave of the secretariat personnel should be 30  
/working

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working days for personnel arriving from abroad, 24 working days for personnel engaged in Brussels.

**b) RENTS**

The Commission accepted the proposals of the Inter-Allied Reparation Agency for the settlement of the Office rental, furniture upkeep of furniture fittings, and general services. A letter to this effect would be despatched to the Secretary General of the Inter-Allied Reparation Agency.

**c) INCOME-TAX**

Concerning the question of whether the Commission should undertake to compensate Mr. O'Flaherty, Special Assistant to the Commission, for the income-tax due in the United States on his salary from the Commission, the Secretary was instructed to study the procedure followed by the Inter-Allied Reparation Agency in similar cases and to submit a report to the Commission.

**d) APPOINTMENT OF AN ADDITIONAL SHORTHAND-TYPIST**

The appointment of an additional shorthand-typist was approved by the Commission.

The Meeting adjourned at 1:30 p.m.

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TRIPARTITE COMMISSION FOR THE DISTRIBUTION OF MONETARY GOLD.

MINUTES of the 8th Meeting held on the 15th

3. Difficulties September, 1917, at 11.30 a.m. ... real. We have now received the claims of all claimant countries. The fact that we are still in negotiation with certain countries to obtain further presents or clarification of their full claim and that we have not yet decided whether to allow certain portions of certain claims, would not prevent the distribution of a dividend. -Commissioner of the Government of the United States of America.

4. H. E. M. Henry-Spina... That part should create the percentage for the first distribution, as shown by H. E. Sir Desmond Morton, KCB, Commissioner of H.M. Government of the United Kingdom of Great Britain and Northern Ireland.

Name	Weight in kilograms of gold	Value in kilograms of gold
Mr. Alex B. Dasgupta	5,810	64,721
Mr. Edward W. O'Flaherty	14,716	32,421
Mr. Pol Gargam	2,225	4,708

The Chairman opened the meeting and submitted a revised Agenda modifying that prepared by the Secretary. One additional question was included:

Should the gold be distributed to the ultimate loser to the intermediary country involved." 635,285

The first point to decide, however, is the approval of the Minutes of the previous meeting. The French Commissioner asked if the study of the Czech claim could be set aside and reviewed at the next meeting as he had not obtained the advice of his Government on the questions arising therefrom. The British Commissioner would like, however, to make certain statements on the Czech claim. The Chairman suggested that this claim be reviewed to get some idea of what it constituted, but no decision would be taken.

If the reply of my colleagues to the first question posed on paragraph 2 above, the Minutes of the 7th Meeting of the 5th August were approved, the lines given in paragraph 4 above and that the Commission should at once establish a date for preliminary distribution of gold.

The Chairman stated that his Government felt that this question was of the greatest urgency and that everything possible should be done to assure very rapid action. Perhaps a preliminary distribution could be made on the 15th October. The British Commissioner circulated a note on the subject and it was decided to include it in the minutes. It would not be possible to fix a date for the preliminary distribution.

Letter received from British Commissioner, dated 15 September. After discussion it was agreed to fix, for the internal use of the Commission, the date of the 15th October for an actual physical distribution, the fixing of such a date facilitating the accomplishment of the remaining work. I wish to pass officially with my fellow Commissioners at the earliest opportunity the question of the payment to claimant countries of an interim dividend from the gold pool.

My Government considers that this should be done with the utmost despatch.

2. The first questions to be settled, therefore, are:  
 i) whether my colleagues agree, and if so  
 ii) when such a distribution might be effected.

3. Difficulties in carrying out this proposal seem to be more apparent than real. We have now received the claims of all claimant countries. The fact that we are still in negotiation with certain countries to obtain further evidence or clarification of their full claim and that we have not yet decided whether to allow certain portions of certain claims, would not prevent the distribution of an interim dividend.

4. We are ready to admit some part of the claim of all claimant countries. That part should create the percentage for the first distribution, as shewn by the following table giving imaginary figures.

By what methods will the gold be physically restituted to the recipient countries.

Country	Value in kilogrammes of fine gold of that part of claim admitted by all 3 Commissioners.	Value in kilogrammes of total claims presented to the Commission.
A	5,810	64,721
B	14,716	32,421
C	2,225	4,738
	85,324	240,195

As regards the Government's part, Sir Desmond Morton assured the Commission that the British Government could accomplish their share before 15th October.

Mr. Dorr reserved his opinion until he had been able to read the text of the proposed formula.

Mr. Pittamuller declared that he was satisfied with the proposed formula but he would like to qualify it in the following manner:

484,473	625,288
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As regards the two thirds of the work being the responsibility of the three Governments, the figures in Column 2 can be recalculated as a percentage to be applied to whatever weight of gold the Commissioners decide to distribute at once.

II. Establishment of Formula for preliminary distribution.

5. Bearing in mind the total value of claims submitted and the value of the gold which could at once be made available to the Commissioners by the meeting Powers concerned, the Commissioners with this table before them, will be in a position to recommend forthwith to their Governments that a total distribution of a specific weight of fine gold should at once be made, in the proportion arrived at on the above calculation using the genuine figures.

6. To determine what percentage of the clearly valid claims and the possibly If the reply of my colleagues to the first question posed in paragraph 2 above be in the affirmative, I recommend that a genuine table be prepared on the lines given in paragraph 4 above and that the Commission should at once proceed to consider the matter raised in my paragraph 5 and by the Commissioners up to a certain date.

6. To hold back a contingency reserve.  
 The French Commissioner insisted on the fact that the preliminary distribution raised two distinct questions, that of the fixing of the percentage for and that of the physical distribution of the gold. Until a decision had been taken on the manner in which the gold would be distributed, it would not be possible to fix a date for the preliminary distribution. I have the honour ...

After discussion it was agreed to fix, for the internal use of the Commission, the date of the 15th October for an actual physical distribution, the fixing of such a date facilitating the accomplishment of the remaining work. The British Commissioner proposed that this question be presented to the three governments in the following form:

"The Commission decides to aim at October 15th for an actual first distribution of the gold, it being the Commission's present opinion that, in so far as it is concerned and in so far as its Governments are concerned, it should be able to decide before that date all the preliminaries that are necessary in order to accomplish what is proposed."

Furthermore, the quantities of gold hoped for from Sweden, Portugal and Turkey would constitute an additional reserve.

It was suggested by the British Commissioner that the remaining work could be divided into three distinct parts:

- The first is for the Commission to produce a table of percentage applicable to the distribution.
- The other two thirds are the responsibility of the three governments and consist in the decision by the governments of:
  - What quantity of gold must be used for the distribution
  - By what methods will the gold be physically restituted to the recipient countries.

It is agreed that the Commission's part of the work could be finished before the 15th October.

As regards the Government's part, Sir Desmond Morton assured the Commission that the British Government could accomplish their share before 15th October.

Mr. Dorr reserved his opinion until he had been able to read the text of the proposed formula. He was not absolutely certain that position was definite. It was specified that the Commissioners were decided not to modify this definition. It was M. Spitzmuller declared that he was satisfied with the proposed formula but he would like to qualify it in the following manner:

As regards the two thirds of the work being the responsibility of the three governments, the Commission must prepare proposals to submit to their governments.

II. Establishment of formula for preliminary distribution.  
After having re-examined the proposals formulated at the previous meeting it was decided to adopt the following formula:

1. To determine the quantity of gold available for restitution.
2. To take the amount of the total claims.
3. To determine what percentage of the clearly valid claims and the possibly valid claims would be covered by the amount of gold definitely available for restitution.
4. To deduct from these the claims which are clearly invalid.
5. Apply this percentage to the claims accepted as valid by the Commissioners up to a certain date.
6. To hold back a contingency reserve.

The Chairman proposed the reduction to 5% of the contingency reserve for which a figure of 15% had been suggested at the previous meeting. This reserve could cover the uncertainty of the amount of gold available, the Commission's expenses, and the cost of the transport, custody, verification and handling of the gold, if it is decided to move the gold from Frankfurt.

In reply to a question of the British Commissioner, the Chairman specified that this reserve would apply to the following quantities of gold which should be the subject of a preliminary distribution:

1. Acceptance of the definition of monetary gold.
2. Ratification of the action taken by the three governments in their negotiations with third countries.
3. Recognition of the exactitude of the quantities of fine gold

approx: 233,000 kgs for the Frankfurt gold, the Commission  
 51,604 kgs for the gold delivered by Switzerland.  
 18,000 kgs for the gold delivered by Rumania. French and English  
 in such a way as to cover all the acts of the Commission and in order that  
 Furthermore, the quantities of gold hoped for from Sweden, Portugal and  
 Turkey would constitute an additional reserve.

Since the possible error in the determination of the amount of gold held  
 at Frankfurt is not believed to exceed 5%, even if all the Frankfurt gold  
 were distributed and that error were found to exist, the Commission would still  
 have in reserve, to cover other contingencies and to cover its expenses,  
 5% of the 69 tons of Swiss and Rumanian gold, plus the quantities hoped for  
 from the other countries, dealing with the uncertainty of the amount of  
 gold held in Frankfurt.

The proposed formula for the distribution and the reduction to 5% of the  
 contingency reserve were accepted by the Commissioners, as a provisional basis  
 still in the doubtful cases. However, the uncertainty as to the fineness of  
 the gold. The British Commissioner refused, however, to indicate that he gave his  
 agreement for the putting into practice of this procedure but he was not that  
 all sure that it would turn out to be the correct one. He felt that the only  
 accepted the reduction of the contingency reserve as a provisional measure,  
 a definite decision could not be taken, in his opinion, until more precise  
 figures had been given.

The British Commissioner reminded the Commission of the observations  
 made by Gargam raised the question of the definition of monetary gold in which  
 he was not absolutely certain that position was definite. It was specified  
 that the Commissioners were decided not to modify this definition. It was  
 agreed, however, that if protests were later made before an International  
 Court, it would be advisable to introduce a safeguarding clause in the receipts  
 which would have to be signed by the recipient countries, delivery to the  
 recipient countries.

III. Should the gold be distributed to the ultimate loser or to  
 the intermediary country?

The United States Commissioner stated that his government was studying  
 actively this question. He hoped to obtain rapidly a reply on their position.  
 Since the previous meeting, the United States Commissioner had consulted  
 his Government and it was felt that it would be preferable to reconstitute the  
 gold to the intermediary country and leave the parties concerned to arrange  
 the further transfer between themselves; this transport, the verification,  
 and the ultimate distribution of the gold would be considered as a justifiable  
 charge. The French and British Commissioner agreed to this procedure.

The Commission decided that the gold should be restored to the country  
 which was actually holding the gold at the time of the spoliation by the  
 Germans. It was decided that a note would be forwarded, at the time of  
 distribution, to the country concerned indicating that restoration was being  
 made in contemplation of its ultimate restitution to its legal owner. All  
 sorts of tests have been made, the gold pool should not necessarily be

IV. Consideration of substance of receipts to be obtained from that  
 recipients nations but they would be at its own cost.

A text will be prepared and it was agreed that the following points should  
 be included in the receipts: distribution, or movement, of the gold should  
 be paid by the gold pool.

1. Agreement to return gold to the Commission pro rata, if such  
 return would be required to permit the Commission to comply  
 with a decision of the International Court.  
 The United States Commissioner stated that he would be glad to accept  
 gold he wished it to be clearly understood that the Commission, before under-  
 taking the transport, that the American authorities' responsibility would  
 cease when the gold was delivered to another country, in  
 certain cases
2. Agreement for the delivery of the gold to another country, in  
 certain cases
3. Acceptance of the definition of monetary gold.
4. Ratification of the action taken by the three governments in  
 their negotiations with third countries.
5. Recognition of the exactitude of the quantities of fine gold

... consented as may be declared by the Commission.

These receipts should be drawn up in legal form in French and English in such a way as to cover all the acts of the Commission and in order that the countries which have signed these receipts should not make protests before a tribunal.

These receipts should raise no ideas of protests in the minds of the Governments; namely, concerning the definition of monetary gold. The three governments could be consulted on the manner in which the forms should be drawn up. The British Commissioner and the French Commissioner stated that they would request information on this question in their respective countries.

V. Method for dealing with the uncertainty of the amount of gold held in Frankfurt.

Here The Chairman stated that this was not a major problem. 40% of the claims were still in the doubtful cases. However, the uncertainty as to the fineness of the gold appeared to exist only with respect to 28% of the Frankfurt gold deposit, making 72% available for preliminary distribution. Therefore, the Frankfurt bars of doubtful fineness would not need to be utilized for the preliminary distribution and they could be verified while the Commission was considering final distribution of the gold pool.

The British Commissioner reminded the Commission of the observations made by the British expert as regards the Bank of England not accepting any portion of the Frankfurt gold as being good delivery.

Continuation of Minutes of 5th Meeting

The French Commissioner stated that the Frankfurt gold should be removed to a central bank which was the only institution capable of making an inventory and assuring the administration and ultimate delivery to the recipient countries.

The United States Commissioner stated that his government was studying actively this question. He hoped to obtain rapidly a reply on their position but could not give it at the moment. The Secretary was instructed to have these minutes retyped in their revised form.

He presumed that if the Commission decided that the gold be removed to a central bank, the costs arising out of this transport, the verification, and the ultimate distribution of the gold would be considered as a justifiable charge against the gold pool. Italian and Czech claims, the Chairman asked if any further word had been received from the Greek Government and the Secretary

The British Commissioner agreed in general but wished to make, in the interests of the Commission, the following reservations: Greece (116,179 kg) and from private persons (12,518,802 kg). It was stated by the Greek Government that if a claimant country, for which claim is allowed, starts being difficult on the gold delivered and refuses to sign the receipt until all sorts of tests have been made, the gold pool should not necessarily be liable to bear the costs. The country concerned would be informed that it could make verification but they would be at its own cost. Such charges as the Commission experts Government deem necessary in respect to assaying or distribution, or movement, of the gold should be paid by the gold pool.

The United States Commissioner stated that as regards the Frankfurt gold he wished it to be clearly understood by the Commission, before undertaking the transport, that the American authorities responsibility would cease when the gold had been received at the German frontier and that all charges imposed on the Government would be borne by the pool.

The British and French Commissioners gave their agreement on this point his recommendations:

The Chairman raised finally the following question. If the gold is transferred out of Germany, to which country will it become liable to civil law of the country in which it will be held and might it become tied up in legal proceedings of a disappointed claimant's land.

The Chairman said that this was a highly technical matter and there was great risk that this gold might be tied up for a period of time. The British Commissioner and the French Commissioner stated that they would request information on this question in their respective countries.

The British Commissioner stated that he wished to ask his Government's view upon the claims, international recognition of the annexation of the Sudeten area.

The Secretary indicated that no reply had been received from Greece on the subject of additional claims which it might have. The present requirements had been received from Poland confirming its protest against the definition of monetary gold and maintaining its claims.

To reserve from participation in the preliminary distribution the It was decided as regards Poland that the Commission would see the Polish representative and hear him without discussion.

It was suggested by the British Commissioner that COMSIG might be approached on this point and the Chairman replied that this would be done.

Further information will also be requested from the Czech Government on the issue of whether Continuation of Minutes of Meeting.

held on 16th September, 1947

To allow the claim for 23,087,200 kg gold held at the Bank of England through B.I.S., subject to the following reservations suggested by the U.S. Expert:

The Chairman proposed that the draft minutes of the previous day's meeting be read through after certain amendments had been made and generally agreed upon by the three Commissioners, the Secretary and instructed to have these minutes retyped in their revised form from the third parties; namely,

VI. the B.I.S. or the Bank of England, as the pertinent portion of the Czech claims (continued) as suggesting;

requesting information from the Bank of England as to whether this Before reviewing the Italian and Czech claims, the Chairman asked if any further word had been received from the Greek Government and the Secretary circulated the letter which had just come to hand. This letter presented further claims concerning gold looted from the Bank of Greece (116,179 kg) and from private persons (12,528,802 kg). As it was stated by the Greek Government that all the necessary supporting documents would be submitted in due course.

The letter to the Czech Government requesting supplementary data concerning The Chairman then inquired as to whether analyses of the Czech and Italian claims had been prepared by the French and British Experts. The French Expert had completed a study of the Italian claim and expects shortly to conclude the Czech analysis. The British Commissioner stated that no analyses have been drawn up by Mr. Raven, the British expert, and added that such would be unnecessary since he, himself, had reviewed the analyses done by the U. S. Expert and considered them to be sufficient.

When information is received before the date of disbursement, the Chairman and the British Commissioner felt that this claim should be allowed CZECH CLAIM preliminary distribution.

As regards this claim, the French Commissioner stated that he wished to reserve his opinion on all conclusions reached until it had been fully studied by his Government.

At the request of the Chairman, the U. S. Expert reviewed the claim and his recommendations:

A. To reserve from the preliminary distribution the 11,536.2010 kg transferred to the Reichsbank as representing cover for Czech notes circulating in the Sudetenland.

It was particularly noted that this transfer took place eight days before the fall of Prague and as a result of prolonged negotiations between the Czech Bank and the Reichsbank, and that a question existed, therefore, as to whether in fact a looting or wrongful removal had occurred.

The British Commissioner stated that he wished to ask his Government's view upon the general international recognition of the annexation of the Sudeten area.

Supplementary evidence and satisfactory explanations are required in any event. It was agreed to request these from the Czech Government.

B. To reserve from participation in the preliminary distribution the 1,008.9146 kg gold "administered" by the Skodaworks and Zborojovka a.s.

It was suggested by the British Commissioner that OMCUS might be approached on this point and the Chairman replied that this would be done.

Further information will also be requested from the Czech Government on the issue of whether this gold belonged to the National Bank.

C. To allow the claim for 23,087.3010 kg gold held at the Bank of England through B.I.S., subject to the following reservations suggested by the U.S. Expert:

- i) obtaining evidence of wrongful removal;
- ii) possible deduction for acquisitions of gold in Switzerland;
- iii) securing an undertaking from the Czech Government that it will not attempt a double recovery of this gold from the third parties; namely, the B.I.S. or the Bank of England, as the pertinent portion of the Czech reply might be interpreted as suggesting;
- iv) requesting information from the Bank of England as to whether this gold or its equivalent was ever transferred out of the accounts of the Reichsbank.

The British Commissioner agreed to these recommendations and said he would request information from the Bank of England as to the transfer of Czech gold.

The letter to the Czech Government requesting supplementary data concerning this part of the claim could be formulated as follows:-

"The Commission is strongly disposed to allow this claim and for that reason ask you to supply supporting evidence at the earliest possible moment."

Providing all this information is received before the date of disbursement, the Chairman and the British Commissioner felt that this claim should be allowed in the preliminary distribution.

It is also stated that it was possible that a part of the gold taken by Germany represented reimbursement to them of credits given to Italy, before the capture of Rome, in order to finance the war against the Allies.

D. To allow the claim for 6,375.8588 kg fine gold in coin form held in Czechoslovakia and later transferred to the Reichsbank.

It was noted that, notwithstanding the lack of evidence in the Czech file of ownership and looting, the OMGUS report confirms irrefutably the accuracy of this claim and the entire deposit was recovered intact at the Merkers Mine.

The British Commissioner emphasized, however, that it was necessary to be very rigid in the principle of requesting complete information and proofs on all claims. Therefore, missing evidence should be requested from the Czech Government. This was agreed by the Commission.

E. The question of gold acquired by Czechoslovakia was reviewed and it was pointed out that it is not known to the Commission whether this gold might have been paid to Czechoslovakia for goods and services rendered to Germany. After discussion, it was tentatively agreed that, as regards this portion of gold, it should not be classed as recovery by Czechoslovakia so long as it could be shown that it was actually gold paid to Czechoslovakia for goods and services rendered.

ITALIAN CLAIM

This claim was reviewed by the American Expert, Mr. O'Flaherty, who stated that he understood that M. Gargam, the French Expert, had reached the same general conclusions as himself but had some special considerations to present with respect to one or two elements of the claim.

Having reviewed and submitted his recommendations, the following conclusions were reached:

A. To reserve from the preliminary distribution the claim for 60,990 kg asserted to constitute a portion of the reserve of the National Bank.

B. To reserve from the preliminary distribution the claim for 1,777 kg earmarked with the Banca d'Italia for Istcambi. II

It was noted, as regards these two claims, that necessary data as to ownership of the gold had been requested on 14th and 25th August but reply had not yet been received from the Italian Government.

C. To allow the claim for 8,328 kg acquired from Yugoslavia by the Banca d'Italia, providing this gold is returned to Yugoslavia.

D. To allow the claim for 2,340 kg looted by Germany from the Banca Nazionale d'Albania, Rome, providing the gold is returned to Albania.

The following points were raised and discussed:

1. Purely from a technical point of view, M. Gargam pointed out that allusions had been made in the Rahn-Mazzolini Agreement to credits from Germany to Italy.

It seemed to him that it was necessary to obtain detailed information regarding these credits. The Secretary mentioned that this had already been requested in the letter dated 25th August to the Italian Government.

It is also stated that it was possible that a part of the gold taken by Germany represented reimbursement to them of credits given to Italy, before its capitulation, on order to finance the war against the Allies.

The Chairman pointed out that the illegitimate Italian Government was not involved in the purported settlement of these debts, which had been decided between the Germans and a puppet Government of the Reich and that, therefore, the debt, if any, was legally unaffected. If Germany was still owed money by Italy, this would be a matter for a German-Italian treaty, not a concern of the Commission.

The United Kingdom and French Commissioners expressed informal agreement with these views. The three Commissioners decided to consult their respective Governments on these points.

2. Mr. Gagan also pointed out that, amongst the gold looted by Germany there were amounts acquired by Italy in 1942 and 1943 from Germany and Hungary. The term "monetary gold" was applicable to the Danish gold, it was agreed.

The general question was raised as to whether claimant countries having acquired gold from German or German satellite countries should be required to specify how this gold had been acquired and whether consideration was given.

Decision was only taken in the present case to request this information from Italy. The administration raised on the Agenda on Saturday, 20th September, 1947, at 1:00 a.m.

The Chairman was in agreement as to asking for such information but without prejudice to the question as to whether the facts developed would make any difference in determining the validity of the claim. It was generally agreed that a meeting could be held at the end of the week beginning 22nd September, 1947.

Attention was drawn to the fact that it might make a difference if it developed from research that this gold had been looted from a third country. This would mean, however, the very extensive work of comparing bar lists of gold so acquired with those of gold lost by third countries prior to the time of the acquisitions.

It was agreed that it would not be necessary to undertake this work, the main reason being that Germany could have sold its own gold, instead of which it sold, in preference, gold looted from the occupied countries.

Finally, it was decided to send a reminder to Italy informing them that it would be to their interest to give a prompt answer to the letters requesting supplementary data forwarded to them on 4th August and 25th August.

VII. Establishment of time limit for submission of supplementary data requested.

It was generally agreed that, for the internal use of the Commission only, 1st October would be the final date for submission of specific data requested, in view of the proposed date of 15th October for the preliminary distribution.

VIII. Leakages to Press regarding Commission Work.

The Chairman quoted a passage from the Neue Zurcherzeitung concerning the work of the Commission and stated that he had been given to understand at a previous meeting that no information, unless agreed jointly by the three Commissioners, would be given to the Press.

The British and French Commissioners said that this was also their understanding.

As regards the announcement of the preliminary distribution, it was agreed that this should not be made until after 1st October when the Commission was

- 10 -

certain that all details for disbursement had been completed and that it could, in fact, take place and that, meanwhile, the three Governments concerned would be asked to assist in preventing premature publicity.

IX. Letter to Denmark stating that losses of non-monetary gold are outside the scope of the Commission.

Regarding the letter from Denmark requesting a statement from the Commission that losses of non-monetary gold were outside the scope of the Commission, two draft replies were submitted.

After discussion, during which the Commission intimated that his Government felt there was some risk in the Commission specifying whether or not the term "monetary gold" was applicable to the Danish gold, it was agreed not to reply for the time being.

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The meeting was closed at 6:30 p.m. It was decided to discuss the questions of administration raised on the Agenda on Saturday, 20th September, 1947, at 11:00 a.m.

The French Commissioner asked, however, if an approximate date could be given for the next meeting of the Commission. It was generally agreed that a meeting could be held at the end of the week beginning 22nd September, 1947.

209378

91m Minutes of the Meeting of the TGC 100th - 139th

209379

DECLASSIFIED  
Authority: NND 9108106  
By: TJ MARRA Date: 5/10/99

DECLASSIFIED  
Authority **NND 968106**  
By **TJ NARA** Date **5/16/99**

*file: TGC Minutes*

~~For French~~  
**CONFIDENTIAL**  
(Security Classification)

DO NOT TYPE IN THIS SPACE  
*200.6241 Gold*  
*141255*

**FOREIGN SERVICE DESPATCH**

FROM : **U.S. Commissioner, TGC  
AmEmbassy, Brussels**  
TO : **THE DEPARTMENT OF STATE, WASHINGTON.**

1955 NO.

April 12, 1955

*378*

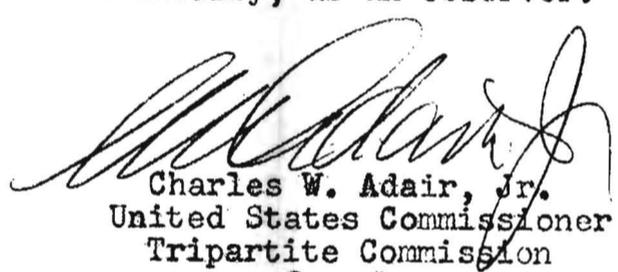
REF :

For Dept. Use Only	ACTION	DEPT.
	REC'D	IN F O
	<i>E-4</i>	<i>RMP-2 EUR-9 OLI-6 L-2</i>
	<i>4-18</i>	<i>GAP-2 CIA-5</i>

SUBJECT: **Minutes of 137th Meeting of the Tripartite Commission for the Restitution of Monetary Gold**

There are enclosed herewith two copies of the final minutes of the 137th meeting of the Tripartite Commission for the Restitution of Monetary Gold held at Brussels on March 24, 1955.

Inasmuch as the undersigned was attending the Plenary Session of the Economic Commission for Europe at Geneva, this meeting of the Gold Commission was attended by Robert L. BROWN, Assistant Commercial Attaché of the Embassy, as an observer.



Charles W. Adair, Jr.  
United States Commissioner  
Tripartite Commission  
for the  
Restitution of Monetary Gold

Enclosure: *Copy sent to Mantel 4/21/55*

Two typewritten copies of Final Minutes of 137th Meeting of TGC, March 24, 1955.

CWAdair/gw  
REPORTER

**CONFIDENTIAL**

209380

Reserve Bank of New York, which the American Commissioner had signed and which he (the Chairman) had also felt justified in signing, in view of the three Governments' decision that the gold should be included in the gold pool. He (the Chairman) understood that his French colleague had some observations to make on this subject.

*RG 59*

*TGC*

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*Lot 620 115*

*Box 5*

DECLASSIFIED

 Authority NND 968 106  
 By TJ NARA Date 5/6/99
FINAL MINUTESTRIPARTITE COMMISSION FOR THE  
RESTITUTION OF MONETARY GOLD.137th Meetingheld on 21 March 1955, at 5.00 p.m.Present :

- |                         |  |
|-------------------------|--|
| H.E. Sir Ronald WINGATE | - Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland - Chairman. |
| Mr. Robert L. BROWN     | - Acting as observer on behalf of the Commissioner of the Government of the United States of America.    |
| Monsieur Jacques LANSON | - Deputy Commissioner of the Government of the French Republic.  |

Secretariat

- |                     |                      |
|---------------------|----------------------|
| Colonel J.A. WATSON | - Secretary General. |
|---------------------|----------------------|

1. Request by the American Commissioner that arrangements be made for the payment of \$629.83 to the United States Disbursing Officer in Vienna, to cover the cost of transporting 3,149.812 Troy ounces of gold to the Federal Reserve Bank of New York, New York.

The Chairman recalled that responsibility for deciding what should or should not be put into the pool of monetary gold rested exclusively with the three Governments. The Commission, however, had, on numerous occasions, assisted the three Governments, pursuant to Paragraph 5 (e) of its Terms of Reference, by arranging for the transfer to the gold pool of gold which the three Governments had decided should be included in the pool. The Commission, on instructions received from the three Governments, on each occasion, had requested the authorities holding the gold to cause such gold to be delivered to one of the accounts operated by the Commission on behalf of the three Governments and it had arranged for the transport and insurance of the gold, on the best terms obtainable, and for the payment of necessary expenses.

On a recent occasion, a delivery, which the Commission had not been called upon to deal with, had been effected. The American Commissioner had advised the Secretary General that the three Governments had decided that 3,149.812 Troy ounces of gold should be delivered by the American Authorities in Austria to the pool and that the said authorities had despatched the gold to the Commission's account at the Federal Reserve Bank of New York. Later, the American Commissioner had requested that the costs of transporting the gold, amounting to \$629.83, should be refunded to the United States Disbursing Officer at Vienna (vide the Secretary General's INTS-2852 and 2853, dated 14 and 15 March 1955). The Secretary General had drafted appropriate instructions to the Federal Reserve Bank of New York, which the American Commissioner had signed and which he (the Chairman) had also felt justified in signing, in view of the three Governments' decision that the gold should be included in the gold pool. He (the Chairman) understood that his French colleague had some observations to make on this subject.

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- 2 -

The French Commissioner stated that he had sought his Government's authority to sign, since the expenditure in question was not normal administrative expenditure of the Commission payable, pursuant to Paragraph 5 (f) of the Commission's Terms of Reference. It appeared to his Government that it would have been advisable to deliver this gold, on account, at no cost to the gold pool, to the Austrian authorities on the spot or, at least, to have sent it to the three Governments' account at the Bank of France or at the Bank of England at little or no cost (gold had, on several occasions, been delivered, free of charge, to these two Banks by Allied Military transport). The gold, which was made up of coins and not of bars, had, however, been sent to New York, whence it would, probably, have to be returned, eventually, to Europe, and the cost of transport was comparatively high : \$629,83. A similar amount would, presumably, be incurred by the eventual recipient for the return of the gold to Europe. The French Government felt that this expenditure, which diminished the pool, might have been avoided and it would have expressed this point of view had it had an opportunity of doing so. It had directed him (the French Commissioner) to ask his American colleague if he could arrange for his Government to be good enough to give to the French Government, through the French Embassy in Washington, the reasons, which he felt sure would clear the matter, for the transport to New York. He (the French Commissioner) had been directed to withhold his signature, for the time being.

Decision :

Mr. Robert L. Brown, acting as observer for the American Commissioner, said that this matter would be taken up, as requested.

2. Final views of the French Commissioner on the adjudications in regard to which he had made certain suggestions. (Vide the Secretary General's ENR-2800 and 2803, dated 2 and 15 October 1954, and the Minutes of the Commission's 134th and 135th Meetings).

The Chairman said that he had been informed by the Secretary General that the French Commissioner had a statement to make regarding his suggested amendments to the Commission's decisions.

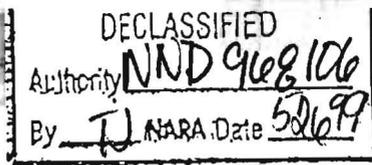
The French Commissioner said that he had taken advantage of recent visits to Paris to review the situation with his advisers in the light of the Chairman's statements on this subject and of circumstances. (His Government's desire, *inter alia*, that a further distribution of gold should be made, as soon as possible, in conditions to be agreed upon, and that the Commission's decisions should be, if not signed, at least established in the form in which they will be announced, as soon as this can be arranged).

After this review, in the light of circumstances, as described above, he (the French Commissioner) felt that his suggestions for amendments (which, in any event, concerned mainly questions of accounting) could be reduced in number, as follows :

Insofar as gold recovered were concerned,

1. only gold which had been bought with free Reichsmarks furnished by Germany should be deducted from the share (not the claim) of the country concerned

The only gold in this category was an amount of 3,397.78421 kgs purchased by Slovakia with the free Reichsmarks drawn from the credit balance of its clearing account with Germany, and 312.2306 kgs purchased by Slovakia with 1,500,000 Swiss francs which were delivered to it by Germany in exchange for an equivalent amount in free Reichsmarks.



- 3 -

2. All the other recoveries, namely :

A. insofar as Czechoslovakia was concerned :

- (i) the 1,398.77576 kgs of gold delivered by the Reichsbank to the account of the National Bank of Slovakia at the Swiss National Bank in respect of a delivery by the National Bank of Slovakia to the Reichsbank of an equivalent quantity of gold extracted from Czech soil;
- (ii) the 1,998.65115 kgs of gold delivered to the account of the National Bank of Slovakia at the Swiss National Bank by Switzerland, in respect of Slovak exports to Switzerland, and
- (iii) the 200.5682 kgs of gold delivered by Germany to the account of the National Bank of Slovakia at the Swiss National Bank in respect of postal traffic dues, and

B. insofar as Yugoslavia was concerned :

- (i) the 980.45443 kgs of gold placed by the State Bank of Croatia to the credit of its account at the Swiss National Bank, and
- (ii) the 358.42290 kgs of gold delivered by the Reichsbank to the account of the State Bank of Croatia at the Swiss National Bank, in respect of railway traffic dues,

were either recoveries of pre-war monetary gold, or of potential monetary gold ("or monétaire par destination") of the countries concerned and should not be taken into account by the Commission.

The pre-war laws of Czechoslovakia made the gold extracted from Czech soil monetary gold of Czechoslovakia in the same way as the Yugoslav laws made gold extracted from the Bor Mines monetary gold of Yugoslavia. The gold could receive no other destination.

The postal and railway traffic dues were paid in gold to Czechoslovakia and Yugoslavia, respectively, pursuant to long established pre-war international agreements.

The 980.45443 kgs of gold recovered by Yugoslavia were a part of Yugoslavia's genuine pre-war monetary reserve.

None of the above-mentioned quantities of gold had been claimed as lost.

There were only two other suggested amendments, the first, that the decision in respect of the "Skodaworks gold" should be reversed and the second that the decision in respect of the 109.34773 kgs of gold carried off by the Ustachas from the State Bank of Croatia should, also, be reversed. The French Commissioner felt obliged to maintain his suggestions in this respect. The Chairman had described these decisions as "balanced on a razor's edge".

The Chairman thanked the French Commissioner for his very clear summing up of the situation, which he fully appreciated. He (the Chairman) said that he was now completely in agreement with his French colleague's suggestions. He had always felt that the recoveries could be dealt with on the lines which had just been described by the French Commissioner. With regard to the reversal of the decisions on the "Skodaworks gold" and the gold carried off by the Ustachas, the decisions had, as the Chairman had already stated, always been balanced on a razor's edge and he (the Chairman) was prepared to rally to whatever his two colleagues might decide on the subject.

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DECLASSIFIED

Authority

NND 968106

By

T. NARA Date 5/6/99

- 4 -

The Chairman added that he hoped that, now that the work remaining to be done by the Commission had been considerably simplified, thanks to the French Commissioner's final study of the adjudications, his American colleague would soon be in a position to give his opinion which would enable the Commission to reach final agreement. The Secretary General would then be able to proceed with the necessary re-drafting, which would consist, mainly, in the modification of some of the Commission's original argumentation.

The Meeting adjourned at 5.45 p.m.

209384

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Authority **NND 968106**  
By **TJ** NARA Date **5/16/99**

*Handwritten initials*

**AIR POUCH**  
PRIORITY

**CONFIDENTIAL**  
(Security Classification)

DO NOT TYPE IN THIS SPACE

*200.6241-60LD/1-1255*

FROM : **U.S. Commissioner, TGC**  
**Embassy BRUSSELS**  
TO : **THE DEPARTMENT OF STATE, WASHINGTON.**

**652**  
DESP. NO.

**January 12, 1955**  
DATE

REF : **Embassy despatch 567, December 17, 1954**

*379*

<small>For Dept. Use Only</small>	<small>ACTION</small> <b>E-4</b>	<small>DEPT. IN F O</small> <b>REP 2 DEC 2 EUR 5 OLI 6 L 2</b> <b>CIA-5</b>
	<small>REC'D</small> <b>1/14</b>	

SUBJECT: **Alteration of Final Minutes of 135th Meeting of Gold Commission**

There are enclosed two photostat copies of a revised page 2 of the final minutes of the 135th Meeting of the Gold Commission. The only alterations in the document forwarded to the Department under cover of the reference despatch are found in the first and penultimate paragraphs of the enclosure.

In the first instance, the Chairman wished to make clear that he maintains his previous position on the question of treatment of recoveries of gold. In the second case, he wished recorded the fact that he had expressed the view that discussion of the new technical document presented by the French Commissioner would be inappropriate without careful preliminary study by the Commissioners.

**Charles W. Adair, Jr.**  
**United States Commissioner**  
**Tripartite Commission for**  
**the Restitution of Monetary Gold**

**Enclosure:**

**2 photostat copies of revised page 2 (transmitted under cover of Gold Commission letter INT-2834-2 typewritten copies)**

**CWAdair/ah**  
REPORTER

**CONFIDENTIAL**

**INFORMATION COPY**

The French Commissioner then stated that he had a long statement to make on the subject of gold recoveries. The Chairman stated that he understood that this was a long technical document which, in his view, it was quite inappropriate for the Commission to attempt to discuss without careful preliminary study by the Commissioners. He had no objection to the French Commissioner tabling the technical statement.

The French Commissioner then tabled a statement as follows :

*RG 59*

*TGC*

*Lot 620 115*

*Box J*

*209385*

*3/.....*

DECLASSIFIED  
Authority NND 968106  
By J. NARA Date 5/6/99

COPY

COMMISSION TRIPARTITE  
POUR LA RESTITUTION DE L'OR MONETAIRE

TRIPARTITE COMMISSION

FOR THE RESTITUTION OF MONETARY GOLD

By this, he meant **FOR THE RESTITUTION OF MONETARY GOLD** from neutral countries would or should be dealt with. He considered that, insofar as claims, proper, were concerned, **50, Avenue des Arts, Bruxelles**, apart from the one or two minor questions referred to above, the French Commissioner had now raised, had carried out that part of its mission which was to consist in adjudicating upon claims pursuant to Paragraph 5 (d) of its Terms of Reference. He maintained his previous position that the question of how **10 January 1955** certain categories should be treated was **INT-2834** the powers of the Commission, and should be dealt with in each case separately **C/MTG/135** regarding the information in the hands of the Commission. In his view, there was no question of adopting a general principle based on a theoretical interpretation, as the circumstances of the cases were quite different. It was the Commission's duty, in his view, to **of the United States of America** take a decision in each case.

If however, in any particular **The Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland** case, the unanimous conclusion that the question of **of the United States of America** a recovery required an instruction by the **and Northern Ireland** Commission that a reference would have to be made.

The French Commissioner stated **of the French Republic** that if this became necessary, to recommend to his Government that it should take up this matter with the other two Governments. He had refrained from doing so until then since he wished to consult the Commission **of the French Republic** before making any such lines.

Shortly after circulating the Minutes of the 135th Meeting as final (my INT-2832, dated 17 December 1954) I informed the American and French Commissioners, by telephone, that there had been a slight misunderstanding and that whereas I had understood that the Chairman was in agreement with my draft he, in fact, intended to request certain minor amendments insofar as his own statements were concerned. The Secretary General pointed out that there were two types of accruals to the gold pool. The first concerned gold which was physically transferred to the gold pool pursuant to decisions taken by the three Governments with neutral countries. Such matters were, for obvious reasons, the exclusive concern of the three Governments responsible for assembling the monetary gold. The three Governments had also decided on two other categories of gold which had been handed over, by their authorities in the zones of occupation, direct to claimant countries, should be considered as gold which should have formed part of the monetary gold accounts.

I have now received these amendments. They all affect page 2 of the Minutes which were inadvertently sent out as final. Governments with neutral countries. Such matters were, for obvious reasons, the exclusive concern of the three Governments responsible for assembling the monetary gold. The three Governments had also decided on two other categories of gold which had been handed over, by their authorities in the zones of occupation, direct to claimant countries, should be considered as gold which should have formed part of the monetary gold accounts. I have had page 2 re-typed, incorporating the amendments requested by the Chairman and I enclose photocopies herewith. I should be obliged if the Commissioners' secretariats would kindly replace the old page 2 by this new page 2 in the Minutes which were sent out as final on 17 December 1954. Any inconvenience caused is much regretted.

J. A. WATSON,  
Secretary General

The French Commissioner then stated that he had a long statement to make on the subject of gold recoveries. The Chairman stated that he understood that this was a long technical document which, in his view, it was quite inappropriate for the Commission to attempt to discuss without careful preliminary study by the Commissioners. He had no objection to the French Commissioner tabling the technical statement.

The French Commissioner then tabled a statement as follows :

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Authority NND 948106  
By T. J. MARRA Date 5/26/99

By this, he meant the question as to how recoveries of gold by claimant countries from neutral countries could or should be dealt with. He considered that, insofar as claims, proper, were concerned, the Commission, apart from the one or two minor questions referred to above, which the French Commissioner had now raised, had carried out that part of its mission which was to consist in adjudicating upon claims pursuant to Paragraph 5 (d) of its Terms of Reference. He maintained his previous position that the question of how certain recoveries should be treated was within the powers of the Commission, and should be dealt with in each case separately having regard to the information in the hands of the Commission. In his view, there was no question of adopting a general principle based on a theoretical interpretation, as the circumstances of each case were quite different. It was the Commission's duty, in his view, to come to a decision in each case.

If however, in any particular case, the Commission should come to the unanimous conclusion that the question of how the Commission proposed to treat a recovery required an instruction by the three Governments, then a reference would have to be made.

The French Commissioner stated that he would be prepared, if this became necessary, to recommend to his Government that it should take up this matter with the other two Governments. He had refrained from doing so until then since he wished to consult the Commission before taking any action on these lines.

An exchange of views ensued and the concensus of opinion was that, if a reference became necessary, it would be preferable that it should be made by the Commission.

The Secretary General pointed out that there were two types of accruals to the gold pool. The first concerned gold which was physically transferred to the gold pool pursuant to decisions taken by the three Governments in the zones of occupation in Germany or pursuant to negotiations of the three Governments with neutral countries. Such matters were, for obvious reasons, the exclusive concern of the three Governments responsible for assembling the pool of monetary gold. The three Governments had also decided, on two occasions, that gold which had been handed over, by their authorities in the zones of occupation, direct to claimant countries, should be considered as gold which should have formed part of the gold pool and they had directed the Commission, responsible for keeping and operating the gold accounts, to pass appropriate entries through its books. It was conceivable that there could be another type of accrual if the Commission found, from the replies to its Questionnaire and its examination of data supplied, that a claimant country had, itself, recovered certain categories of gold from a neutral country. The Commission might, in certain circumstances, consider itself justified in debiting the claimant country concerned and crediting the gold pool, in its books, with an amount of gold equivalent to that which the claimant country had recovered. Such justification might be found in the Commission's basic texts and, in particular, in Paragraph 5 (c) and (d) of the Commission's Terms of Reference, which placed the Commission under an obligation to announce the value of the pool of monetary gold and the share available for restitution to each country entitled to participate in the pool. Much would depend on the exchanges of views which were to take place between the French and American Commissioners. These exchanges of views might well enable the Commission to reach unanimous decisions on the matters raised by the French Commissioner, without reference to the three Governments.

It was decided that no further action could be taken in these matters until the American Commissioner was in a position to discuss them with his French colleague.

The French Commissioner then stated that he had a long statement to make on the subject of gold recoveries. The Chairman stated that he understood that this was a long technical document which, in his view, it was quite inappropriate for the Commission to attempt to discuss without careful preliminary study by the Commissioners. He had no objection to the French Commissioner tabling the technical statement.

The French Commissioner then tabled a statement as follows :

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DECLASSIFIED  
Authority **NND 968106**  
By **TJ NARA** Date **5/16/99**

Air Pouch

*Thank you*  
LIMITED OFFICIAL USE

~~GREEN SERVICE DISPATCH~~

~~U.S. Commissioner, TGC  
Embassy BRUSSELS~~

155

~~THE DEPARTMENT OF STATE, WASHINGTON~~

*D. Fletcher*  
*3/24/54*  
*3/28/54*  
August 26, 1954

*E-4*  
*8/30*  
*OK/R N E-4-7 L-2*  
OTHER

Transmittal of Final Minutes of 133rd Meeting of Tripartite Commission for Restitution of Monetary Gold

There is enclosed a copy of the final minutes of the 133rd meeting of the Tripartite Commission for the Restitution of Monetary Gold held on July 7, 1954. The final minutes incorporate an amendment requested by the French Commissioner.

Also enclosed is a copy of the Secretary General's letter of July 27, 1954 relative to a communication sent to the Minister of Albania in connection with the Albanian claim.



Charles W. Adair, Jr.  
United States Commissioner  
Tripartite Commission for the  
Restitution of Monetary Gold

Enclosures:

1. Carbon copy of Minutes of Meeting, July 7, 1954.
2. Copy of ltr from Col Watson, July 27, 1954 (INT-2787).

CWADAIR/gw

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*209388*  
*Lot 620115*  
*Box 5*

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Authority <b>NND 968 106</b>
By <b>TJ NARA</b> Date <b>5/26/99</b>

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 Desp. No. \_\_\_\_\_  
 From \_\_\_\_\_

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Page **1** of \_\_\_\_\_  
 Encl. No. **2**  
 Desp. No. **155**  
 From **Brussels**

**COMMISSION TRIPARTITE  
 POUR LA RESTITUTION DE L'OR MONETAIRE  
 TRIPARTITE COMMISSION  
 FOR THE RESTITUTION OF MONETARY GOLD  
 50, Avenue des Arts  
 Bruxelles**

**INT-2787  
 CG/ALB**

**27 July 1954.**

**From: The Secretary General**

**To: The Commissioner of the Government  
 of the United States of America**

**The Commissioner of the Government  
 of the United Kingdom of Great Britain  
 and Northern Ireland**

**The Commissioner of the Government  
 of the French Republic.**

The three Commissioners having now approved the suggested reply to the Minister of Albania which was circulated under cover of my INT-2772, dated 8 July 1954, the original letter has been signed and despatched to-day.

It would be appreciated if the Secretariats of the Commissioners would kindly note the reference No. CC/ALB-2571 and the date, 27 July 1954, on the copies in their possession.

**J. A. WATSON**

**J. A. WATSON,  
 Secretary General.**

**JAW/as.**

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By TJ NARA Date 5/16/99

Enclosure No. 1 to Embassy Despatch 155, August 26, 1954

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By <u>TJ</u> NARA Date <u>5/26/97</u>

FINAL MINUTES

TRI-PARTITE COMMISSION FOR THE  
RESTITUTION OF MONTEBATE PASS.

133rd Meeting

held on 7th July, 1954, at 3.30 p.m.

Present :

H.E. Sir Ronald WINGATE

- Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland - Chairman.

Mr. Thomas E. WRIGHT

- First Secretary of the American Embassy - Acting as observer on behalf of Mr. Haver S. FOX, absent.

Monsieur Jacques LARON

- Deputy Commissioner of the Government of the French Republic.

Secretariat

Colonel J.A. WATSON

- Secretary General.

1\* Departure of Mr. Thomas E. Wright.

The Chairman said that he had been very sorry to hear that Mr. Thomas E. Wright, who had been attending the meetings of the Commission for some time as acting Commissioner of the United States, was leaving the Commission at the end of the month. He desired to congratulate Mr. Wright on his new appointment and to wish him good luck for the future.

The French Commissioner spoke in a similar sense.

Mr. Wright expressed thanks to his two colleagues.

2\* Albania.

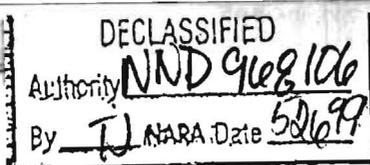
The Chairman referred to a letter which the Minister of Albania (in Paris) had handed that morning to the Secretary General, who had circulated it under file INT-777 of 7 July 1954. The Secretary General had pointed out, in his covering note, that it was clear from the letter and the Albanian Minister's verbal statements to him (the Secretary General) that Albania was taking the line that it only recognized the Commission and was not concerned with anything that had happened outside the Commission and that, consequently, it expected the Commission to "execute" its "definitive decisions" and deliver 1,121,451 lbs of gold to Albania. In view of this, the Secretary General had answered, verbally, the questions which the Minister had put to him, on the following lines: The Commission cancelled its allocation of 1,121,451 lbs of gold for reasons which the Albanian Government had been informed of in due course. The Commission had not yet published the announcement of its decisions and of the share available for distribution. It was, therefore, somewhat premature to speak about "definitive decisions" of the Commission and the "execution" of these decisions. The Chairman was of the opinion that the Albanian Minister's letter might well be answered on these lines.

The French Commissioner and Mr. Wright concurred.

Business

The Secretary General was directed to draft and circulate to the Commissioners for approval or observations, a reply to the Minister of Albania on the lines described above.

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The Commissioners then examined whether the text of the Commission's adjudication on the Albanian claim, as it then stood, which contained a decision based on the fact that litigation was taking place before the International Court, would have to be altered following upon the judgment rendered by the Court on 15 June 1954.

Decision :

It was decided that the text of the Commission's adjudication would have to be amended but it was considered that it would be somewhat premature to proceed with the work and that it would be necessary to await clarification of certain questions before preparing the amendments.

3" The "Istombi gold".

The Chairman asked Mr. Wright whether he had any further information regarding this question which had been held in abeyance at the request of the American Commissioner.

Mr. Wright replied that he had no further information on this subject.

4" "Bor Mine gold".

The Chairman asked the French Commissioner whether he had anything further to say regarding a small portion of the Yugoslav claim in which Bor Mine gold was involved and on which he had not felt, up to now, that he could give a firm decision.

The French Commissioner said that he could not yet say anything definite but that he hoped to be in a position soon to concur with the views of his two colleagues, which had been embodied, tentatively, in the adjudication which had been prepared on the Yugoslav claim. This would leave the adjudication as it then stood.

The Secretary General pointed out that, if the French Commissioner gave a firm decision on the lines described above, the three Governments would have to be informed, pursuant to the Commission's communication to them, the text of which had been agreed under Item 2 at the 130th Meeting, that the reserve in that communication, relating to a small portion of the Bor Mine claim, could be considered as null and void.

This was agreed.

5" The French texts of the Commission's adjudications.

The French Commissioner recalled that his French colleagues and himself had originally accepted to receive most of the documentation which had been circulated within the Commission in the English language alone, in order to facilitate the Commission's work. It was only comparatively recently that it had been possible to make the French translations of the texts of the Commission's adjudications and he had been examining these and had taken some advice. He was under the impression that, on the whole, he would have little to say and that he would find that the position coincided with what he had understood in respect of the English texts. There were one or two points, however, which he might wish to raise at one of the next meetings and it seemed probable that one of these might concern the adjudication on the Czech claim. The effect of the suggestions which he might have to make on the latter subject would be, if his two colleagues accepted, to amend the amount of the Czech claim hitherto recognised as valid by the Commission.

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The Chairman said that, although all the texts of the adjudications had, tentatively, been considered (subject to the reserves which had been made under Item 2 at the 130th meeting of the Commission) as final, it had always been understood that amendments could be suggested until the last moment preceding signature if a Commissioner considered that there were sufficient grounds to justify an amendment. The adjudication on the Albanian claim, for instance, would, as had been mentioned under Item 2 above, have to be amended before signature. He would, naturally, if his French colleague wished to put forward suggestions, be prepared to consider them and he felt sure that this applied also in the case of his American colleague.

Mr. Wright concurred.

The French Commissioner then said that he hoped that it would not be necessary to publish the Commission's adjudications until the negotiations which were taking place with a view to obtaining that Sweden should deliver gold to the gold pool had been terminated and, perhaps, even until the agreement which might, eventually, be concluded on this subject had been put into execution. He (the French Commissioner) understood that the three Governments were claiming restitution from Sweden, pursuant to Resolution N° 1 of the Paris Agreement, of several hundred bars of monetary gold which had been transferred to Sweden by Germany, which had looted them from the Netherlands. A considerable number of these bars were included in a certain quantity of gold, in respect of which the Netherlands had claimed restitution before the Commission but which the latter had not considered to be monetary gold because it was gold belonging to private persons who had been compelled to surrender it to the Nederlandsche Bank after the latter Bank had come under the control of the Germans.

The distinction made by the three Governments and by the Commission between monetary gold which had been looted by Germany and monetary gold found in Germany or recovered from third countries was a somewhat fine distinction. The French Commissioner was of the opinion that Sweden, if it had cognizance of the Commission's adjudications, would, undoubtedly, refuse to admit that non-monetary gold taken from the Netherlands can have become monetary gold subject to restitution by Sweden. In the event of a premature publication of the Commission's adjudications, the negotiations, although satisfactorily engaged, would become much more difficult and would end in a partial failure.

There was another consideration which made the French Commissioner feel that it would hardly be opportune, at this stage, to effect an official final distribution. It appeared that Albania, Poland and Czechoslovakia would have to be excluded, for the time being, from any distribution. Albania, on account of the litigation as to who should receive Albania's share; Poland, because the status of Danzig had not yet been determined; and Czechoslovakia, if only on account of the request which he (the French Commissioner) would probably soon have to put forward for a revision of the Commission's adjudication on the Czech claims.

Thus, the status of the only three countries behind the iron curtain participating in the restitution of monetary gold would be immobilised. This coincidence was somewhat unfortunate. It seemed advisable to bring it to the notice of the three Governments, who might consider it inappropriate to allow it to become clearly apparent in a general announcement which would necessarily have to precede any distribution intended to be really final.

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*minutes  
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distribution*

But these considerations should not prevent those States, whose rights were incontestable, from receiving, without delay, the maximum amount of gold to which they were entitled and of which they were certainly in great need. The fact that the Commission's work was not, officially, finished did not prevent in any way what would amount, in practice, to a final distribution, though it would not be designated as such, from the gold pool, in the form of a further series of deliveries en passant. In the present situation of the gold pool, approximately 27 tons could be distributed, as follows: 4.4 to Austria, 7.4 to Belgium, 11.5 to Italy, 9.6 to Luxemburg, 1.7 to the Netherlands and 1.6 to Yugoslavia.

It would be possible, in this way, on the one hand to deliver almost in their entirety the entitlements of certain countries without furnishing to the remainder any elements upon which they could base litigation and, on the other, to avoid hindering the negotiations with Sweden which were progressing satisfactorily. A procedure on these lines seemed much preferable, in the French Commissioner's view, to that which would consist in making a final distribution entailing publication of the Commission's adjudications.

*new*

Furthermore, the French Government hoped that the announcement would not be made before a definite agreement had been reached whereby the three Governments would act jointly and severally, in defence, in the event that the Commission's decision should be contested or attacked.

As his colleagues, speaking on their own behalf, had indicated in the course of an earlier meeting, it did not appear that this problem, which did not directly concern the Commission but, nevertheless, affected it, would present any difficulty. The French Commissioner thought that his Government's wish to reach a clear understanding on this point was probably due to the fact that the United Kingdom and France, alone, had intervened in the pleadings regarding the eventual disposal of the share attributable to Albania in respect of the loss suffered by the National Bank of Albania.

#### 6. Administration.

The Commissioners discussed certain administrative and financial arrangements with the Secretary General and gave directions to the latter on certain points.

The meeting adjourned at 5.30 p.m.

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FINAL MINUTES

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TRIPARTITE COMMISSION FOR THE  
RESTITUTION OF MONETARY GOLD.177th Meetingheld on 11 January 1951.Members :

H.E. Mr. R.S.L. WINGATE

- Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland - Chairman.

Mr. Homer S. FOX

- Commissioner of the Government of the United States of America.

H.E. M. Henri SPITZMULLER

- Commissioner of the Government of the French Republic.

M. Jacques Lanson

- Assistant to the French Commissioner.

SecretariatColonel J.A. Watson  
Mrs. F.A. Carpenter.

- Secretary General.

Also present (from 3.30 p.m. till 4.30 p.m.) :

M. Stjepan Kuric

- Counsellor at the Ministry for Foreign Affairs of the Federated People's Republic of Yugoslavia.

The Commission met at 11 a.m. in the American Commissioner's room at the American Embassy for the purpose of reviewing the Yugoslav claim for the restitution of gold extracted from Bar Mine blister copper in the light of certain observations which had been put forward by the French Commissioner and in order to agree details of the procedure and policy to be adopted at the hearing of the Yugoslav Representative, which was to take place in the afternoon.

The Chairman read out a list of the questions which he proposed to ask. The object of these was to clarify certain points connected with :

- (a) the Franco-Yugoslav Agreement of 14 April 1951 regarding French property nationalized in Yugoslavia, which Agreement had not been communicated to the Commission by Yugoslavia, and
- (b) a part, amounting to 282,979 kgs. of the above-mentioned claim in respect of Bar Mine gold, which part the French Commissioner felt, for reasons which he had explained, should be rejected.

The American and French Commissioners concurred with the action which the Chairman proposed to take and stated that they themselves would interrogate the Yugoslav Representative in the light of the answers which the Chairman would receive in response to his opening questions.

The Secretary General sought directions regarding certain questions of procedure and took note of the Commission's decisions on these matters.

The Meeting then adjourned until the afternoon.

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The Commission met again in its own Committee Room at the seat of the Commission, at 3.30 p.m., for the purpose of hearing the Representative of Yugoslavia.

Monsieur Slobodan Karic, Councillor at the Yugoslav Ministry for Foreign Affairs, was introduced and welcomed by the Chairman, on behalf of the Commission and himself.

He had, prior to the Meeting, been introduced to both the Chairman and the Secretary General by Monsieur Latinovic, Minister of the Federated People's Republic of Yugoslavia in Brussels, whose term of office had expired a few days before the meeting. The Minister had also confirmed, by letter, that Monsieur Karic had been designated by his Government to appear before the Commission.

The Chairman asked the Representative of Yugoslavia if he (the Chairman) was correct in thinking that there was an Agreement between the Yugoslav and French Governments in 1951 regarding French property nationalised in Yugoslavia.

The Representative replied in the affirmative.

The Chairman then asked if there was, in the Representative's opinion, anything in this Agreement which affected the Yugoslav claim regarding the gold removed by the Germans from the Bor mines in Yugoslavia or from Mister copper extracted from these mines.

The Yugoslav Representative replied in the affirmative and explained that the French Government had undertaken, upon the coming into force of the Agreement, not to contest the Government of Yugoslavia's title to the gold seized by the Germans at the Bor mines and not to support any claim which might be made against the Government of Yugoslavia in respect of this gold.

The Chairman then asked the Representative if he would kindly communicate to the Commission the relevant extracts from the various documents he had referred to, adding that the Commission, of course, did not wish to see anything which did not concern this particular matter.

It was agreed that the Representative would obtain these documents and communicate them to the Secretary General.

The Chairman then asked if, in the Representative's opinion, the 1951 Agreement applied only to French property in Yugoslavia.

The Representative replied that his Government's view was that the Agreement applied to all the gold extracted from Bor mines Mister copper.

The French Commissioner spoke next. He said that no further information was needed in regard to the 445,9716 and 1,952,8502 kgs making up the main portion of the Yugoslav claim. The points on which the Commission required clarification concerned the 282,979 kgs subject of a comparatively recent claim submitted by the Government of Yugoslavia.

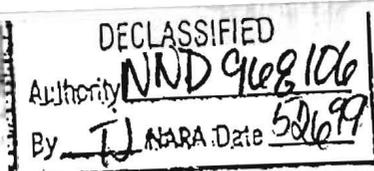
The Representative said that, in his view, the latter portion of the claim was very similar to the other two portions. All the gold referred to was restitutable to the Central Bank.

The French Commissioner asked whether the 282,979 kgs had been paid for and observed that this was, in his opinion, a crucial point.

The Representative said that the gold had probably not been paid for but that the Agreement of 1951, in his view, covered this point by providing for what he considered to have been a global settlement. He explained how the 282,979 kgs had, in a roundabout way, been transferred to Germany via Belgrade and said that, in his opinion, what had happened was that the Germans themselves had originally considered that this gold should be returned to Yugoslavia and that, once this had been done, they had changed their minds and transferred it to Germany.

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He added that, if the gold, instead of being extracted from the copper strand, had been extracted at the Mine itself, as had, indeed, been the case in respect of a small portion of it, the question raised by the French Commissioner regarding the 282,979 kgs would never have arisen.

In answer to a further question from the French Commissioner, the Representative said that, prior to 1958, most of the blister copper was sent, for processing, to France, the United States and Belgium and that, subsequently to 1958, the major portion was sent to Germany.

The American Commissioner then asked at what time the gold was paid for, i.e., whether settlement was effected prior to, or subsequently to, the deliveries.

The Representative said that he thought (only thought) that settlement was effected yearly.

The Chairman asked if the Representative would kindly sum up the answer to this question in the form of a short note for the benefit of the Commission and the Representative said that he would do so after ascertaining the exact position from Belgrade.

The hearing then came to an end and the Representative, after receiving the thanks of the Commission for his explanations and taking leave of the Commissioners, left the room.

The meeting was resumed shortly afterwards.

The Chairman summed up the situation as he saw it and said that he thought (only thought) that it might be argued that the status of the 282,979 kgs differed, in so far as the Commission was concerned, from that of the main portion of this claim because the 282,979 kgs were in France at the time they were seized and had not been delivered to Yugoslavia and because the Agreement of 1951 could not be considered to have affected this position in any way.

The French Commissioner said that he concurred with the views expressed by the Chairman, which coincided with those which he himself had expressed in his notes.

The American Commissioner said that he was impressed by the Chairman's reasoning and conclusions. He would have been inclined to agree with those as presented in respect (a) of the main portion of the claim and (b) of the 282,979 kgs respectively, if it had been possible to take (a) and (b) separately but he was not sure that he could agree if (a) and (b) were to be taken, as seemed inevitable, as a whole. It was essential that nothing should be done which would not be compatible with acceptance of the main portion of this claim. He suggested that the Chairman's reasoning and conclusions might perhaps be tentatively accepted and written amendments to the existing adjudication prepared for perusal by the Commission which would then be in a better position to form an opinion regarding this very delicate question.

The Chairman and French Commissioners agreed with this suggestion and the Chairman undertook to draft the suggested amendments.

The Secretary General asked if he might take it that the amendments should only be considered as a working paper for internal use within the Commission, having no official status until a definite text had been unanimously agreed.

This was agreed.

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The American Commissioner then made certain enquiries regarding the time bar which had been imposed by the Commission on the submission of claims.

The Chairman explained the position which was that the Commission had never made a decision as to whether or not the claim was time-barred but had only agreed to examine the case without prejudice to any decision that they might ultimately make on the time factor.

Finally, the Secretary General enquired whether the Minutes of that part of the Meeting which had been devoted to the hearing could be communicated, for information, to Monsieur Keric. It was the Commission's usual practice to have a verbatim account of its hearings drawn up and to afford to the Representatives who had appeared before the Commission an opportunity of correcting material errors. In this case, no stenotypists had been present and it seemed that the best procedure would be to submit the Minutes, in the first instance, to the Commissioners, in the usual way, for their approval or observations and, once these had been received, to send the relevant extract to Monsieur Keric, merely for information, if the Commission so decided.

This was agreed.

The Meeting adjourned at 5.30 p.m.

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FINAL MINUTESTRIPARTITE COMMISSION FOR THE  
RESTITUTION OF MONETARY GOLD123rd Meeting22 April, 1952 - 10.30 a.m.

396

Present :

- |                         |  |
|-------------------------|--|
| H.E. Mr. R.E.L. WINGATE | - Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland - Chairman. |
| Mr. Homer S. FOX        | - Commissioner of the Government of the United States of America.  |
| Monsieur Jacques RUEFF  | - Commissioner of the Government of the French Republic.   |
| Monsieur Jacques Lanson | - Assistant to the French Commissioner.  |

Secretariat

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|----------------------|----------------------|
| Colonel J.A. WATSON  | - Secretary General. |
| Mrs. F.A. Carpenter. |                      |

1. The general question of gold recoveries (Czech claim and others). (See the Chairman's letter of 19 February, 1952, circulated under INT-2193 of 19 February, 1952, 1952 and the French Commissioner's letter of 18 March, 1952, circulated under INT-2255 of 21 March, 1952).

The Chairman referred to the informal discussion of this question which had taken place at the last Meeting and he described briefly the problems with which the Commission had been faced and how the Commission's policy in these matters had evolved. He asked his two colleagues for their views.

The American Commissioner said that, in his view, recoveries could be divided into two major groups. The first was that which arose out of Part III of the Paris Agreement, namely gold recovered in Germany or a third country by the Allied Forces. This gold went into the pool of monetary gold. The second group was made up of gold which was not recovered by the Allied Forces from Germany or a third country and would include gold recovered by a claimant country from a third country. This gold could not properly be treated as gold which should have been put into the pool, but the recovery could not properly be ignored. It seemed equitable, in principle, to deduct it from the claimant country's claim. He (the American Commissioner) recalled that, in some cases, losses of gold had occurred as a result of transactions, of an ordinary nature, which had taken place. If these were recognized, it seemed proper that gains resulting from transactions of a similar nature, should, in principle, be deducted. In connection with the Czech claim, there was, however, a deduction which he (the American Commissioner) felt should not be effected. This was in respect of the amount of 1,398.77576 kgs of fine gold transferred by the Reichsbank to the account of the National Bank of Slovakia at the Swiss National Bank, in exchange for gold of local extraction which had been handed over to it (the Reichsbank) by the National Bank of Slovakia. To sum up, the American Commissioner was in favour of deducting from the claim of Czechoslovakia the difference, amounting to 5,708.66596 kgs, between the above-mentioned amount of 1,398.77576 kgs and the amount of 7,107.44172 kgs, which had been recovered from the Swiss National Bank by the reconstituted National Bank of Czechoslovakia. He (the American Commissioner)

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was also in favour of deducting from the claim of Czechoslovakia an amount of 200.568198 kgs, which had been transferred (mainly by Germany) to the account of the National Bank of Slovakia at the Bank for International Settlements, in payment of Postal Services, and subsequently recovered by the reconstituted National Bank of Czechoslovakia.

The French Commissioner said that this was a somewhat difficult question. The Commission was deducting from Czechoslovakia's claim an amount which that country had not claimed.

The Chairman pointed out that the Commission had made it clear, in its letter of 13 March, 1947, sending out the Questionnaire to all member countries, that it might take recoveries into account.

The French Commissioner then drew attention to Paragraph G of Part III of the Paris Agreement and asked his two colleagues for their views, regarding the significance to be attached to the term "third country" in that Paragraph.

The American Commissioner said that it appeared to him that this Paragraph must be read in conjunction with Paragraph A, where there figured a qualifying term "by the Allied Forces". The gold referred to in Paragraph G was, in his (the American Commissioner's) view, gold recovered from a third country by the Allied Forces.

The Chairman said that this seemed to him to be a reasonable interpretation.

The French Commissioner then stated that, if these were the firm views of the British and American Governments, as expressed by his colleagues, he was prepared to rally to these views.

It was decided :

that the amounts of the two recoveries referred to in the American Commissioner's statement, namely 5,708.66596 kgs and 200.568198 kgs, should be deducted from the total of the gold losses of Czechoslovakia amounting to 43,999.3638 kgs, as determined by the Commission.

1 (a) General questions affecting the presentation of the Commission's formal detailed adjudications.

The Chairman said that, before passing to the final review of the adjudications listed under Items 2 to 9 inclusive, there was a general question which he would like to bring up. In the course of these final reviews and of those which would take place later, his two colleagues and himself would, no doubt, put forward a certain number of suggestions for major amendments or additions which would affect the substance of the adjudications and, probably, one or two minor amendments which would merely affect the drafting or presentation. He (the Chairman) had no doubt that unanimity would be reached on all these additions and amendments, which would be noted by the Secretary General, for appropriate action, and that the adjudications would be classified as finally reviewed. But this was not all, however. A meticulous examination of the English texts, and of the French texts, as and when the French translations were made available, would have to be effected with a view to ensuring that all figures and dates were correct as well as the punctuation, and that no grammatical errors or erroneous statements or quotations or passages which might give rise to criticism or be considered as lacking in clarity had crept into the adjudications. In other words, the latter would have to be "edited". It was inevitable that the necessity for certain drafting amendments or improvements, either to the French or to the English texts, or to both, would become apparent as and when the work of "editing" was proceeded with and, if each had to be made the subject of note, for formal approval, to the three Commissioners, considerable confusion and delay would ensue. The Chairman wondered whether his two colleagues would wish to leave it to his (the Chairman's) discretion and to that of the

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Secretary General to deal with this latter part of the work, on the understanding that a carbon copy of the final copies, as prepared ready for signature by the Commissioners, would be circulated to the latter as and when ready, in order to enable them to read through the adjudications a last time before the final ceremony of signature.

If the necessity for any major amendments or amendments affecting the substance of the adjudications became apparent in the course of the "editing", after final review, the three Commissioners would, of course, immediately be consulted in writing by the Secretary General.

Decision :

the Chairman's proposal was accepted by his two colleagues who tendered their warmest thanks to the Chairman for all that he was doing.

The French Commissioner mentioned that his Assistant, Monsieur Jacques Lanson, had his full authority to agree amendments and additions, on his behalf, during his (the French Commissioner's) absence in New York.

2. Final review of the formal detailed adjudication on the Greek claim for C.919732 kgf (Annex B to Final Minutes of the 106th Meeting (26 April, 1951), circulated under INT-1886, dated 27 April, 1951).

The above adjudication was examined.

The Secretary General mentioned that he had already noted to delete Paragraph 2, page 2, of this adjudication, since it was obviously undesirable to maintain it in the adjudication and it was not relevant.

He also mentioned that the ending of this adjudication and of all the other adjudications before the Commission for final review would, of course, have to be replaced by the new ending approved at the 122nd Meeting.

Decision :

1. Subject to the above deletion and substitution, this adjudication was classified as finally reviewed.
2. It was also decided, on the suggestion of the Chairman that the Secretary General would attempt to group all three adjudications on the Greek claims under one cover with a single preamble.

3. Final review of the formal detailed adjudication on the Greek claim for 82.8147 kgf (Annex A to Final Minutes of the 108th Meeting (16 June, 1951), circulated under INT-1934, dated 21 June, 1951).

This adjudication was examined.

Decision :

The adjudication was classified as finally reviewed.

4. Final review of the formal detailed adjudication on the Greek claim for 7,358.0000 kgf (Annex A to Final Minutes of the 110th Meeting (25 July, 1951) circulated under INT-1960, dated 31 July, 1951).

This adjudication was examined.

The Chairman mentioned that, as this was a rejection, he had drafted a "brief reasoned opinion for the Commission's action in disallowing this claim", which draft he understood his colleagues were prepared to examine at the afternoon session of the Commission.

Decision :

This adjudication was classified as finally reviewed.

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By J. MARA Date 5/26/99

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5. Final review of the formal detailed adjudication on the Belgian claim for 198,433.8417 kgf, circulated under INT-1726, dated 9 November, 1950 - Amended pages : INT-1778, dated 29 December, 1950 (pages 1, 12 and 13). Final draft pages 13, 14 & 15 as Annex B to the Final Minutes of the 114th Meeting, circulated under INT-2066, dated 20 November, 1951.

The Chairman said that he had a suggestion for amendment to put forward. On page 14, beginning in the third line, there was a reference to the declaration of 5 January, 1943 and to the fact that no action had been taken in pursuance of this declaration regarding certain gold of Czech and Austrian origin purchased by the National Bank of Belgium from the Reichsbank. This was a somewhat controversial statement and did not add anything to the arguments which the Commission had adduced. He was in favour of deleting from "Further, the Allied Declaration ....." to the end of the Paragraph.

The American Commissioner concurred.

The French Commissioner said that he was in agreement with his two colleagues on this point. He suggested, however, that the deletion should start earlier in the paragraph, at the foot of Page 13, from "It was quite fortuitous ....." onwards.

The Chairman and the American Commissioner concurred.

The American Commissioner drew attention to the necessity for deleting the word "wrongfully" in the last line of the penultimate paragraph, page 13.

This was agreed and the Secretary General pointed out that this was an example of the type of deletion which would have to be effected in the course of the work of "editing" the adjudications.

The American Commissioner, for certain reasons which he gave, suggested deleting the reference to the gold of the Bank of the Belgian Congo, last line and penultimate line, first paragraph, page 11.

This was agreed.

Decision :

Subject to the above amendments and deletions, this claim was classified as finally reviewed.

6. Final review of the formal detailed adjudication on the Belgian claim in respect of the gold collected by the Banque d'Emission : 6,434.2319 kgf, circulated under INT-2121, dated 17 December, 1951.

This adjudication was examined.

The American Commissioner pointed out, with particular reference to the words "carried out the same functions", in the last paragraph, page 3, that this paragraph and the one which preceded it might have to be reviewed, from the point of view of consistency, and adjusted.

This was agreed.

The Chairman mentioned that he had drafted a "brief reasoned opinion for the Commission's action in disallowing" this claim. He understood that his two colleagues were prepared to examine this at the afternoon session of the Commission.

Decision :

1. This claim was classified as finally reviewed.
2. It was decided that the Secretary General would endeavour to group the two adjudications on the Belgian claims under one cover, with a single preamble.

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7. Final review of the formal detailed adjudication on the Polish claim for 138,738.5309 kgf, circulated under INT-2212, dated 29 February, 1952.

The Chairman gave a brief history of the case. He had, as in the case of the other rejections, drafted a "brief reasoned opinion" which would be examined later. It was evident that, in this particular case, the announcement and brief reasoned opinion would have to be submitted for approval to the three Governments.

The American and French Commissioners agreed with this view.

The Chairman then said that he had some suggestions for amendments and deletions. He was in favour of deleting the reference to the interim delivery which had taken place, in the second paragraph, page 3, since this was a somewhat controversial matter.

This was agreed and the entire paragraph was deleted from "whereby....", line 2, onwards.

The American Commissioner suggested deleting the third paragraph from the bottom of page 28, since this introduced, unnecessarily, two notions of monetary gold.

This was agreed.

An exchange of views ensued regarding the paragraph at the top of page 29, in which reference was made to the Commission's definition.

The American Commissioner said he held no very strong views. The Polish Representatives, however, had developed, at some length, their argumentation in favour of liberality of interpretation of the definition, whereas the Commission had interpreted it rigidly. The Polish arguments might produce some impression unless they were refuted in a somewhat different manner to that which had been adopted in the paragraph under discussion.

The Chairman suggested that the present wording of the paragraph should be maintained up to and including the word "definition" and that the paragraph should be completed as follows: "In so doing, the Commission had no intention of departing from the principle of liberality of interpretation, but was following the manifest intention of Part III of the Agreement".

This was agreed.

The Chairman said that his Government felt that the point made at the bottom of page 29, in refuting the Polish protests against the Commission's action, that the Polish Government, by signing the Protocol, deliberately accepted the restrictions imposed upon them by the Commissioner's letter of 13 March, 1947, was somewhat harsh. It was suggested that this paragraph might, with advantage, be omitted.

The French Commissioner asked whether this omission would not weaken the Commission's case.

The Chairman pointed out that the argument could always be brought up if the Commission's decision were attacked.

It was agreed that the last paragraph on page 29 and its continuation on page 30 should be omitted.

Decision :

Subject to the above amendments and deletions, this adjudication was classified as finally reviewed.

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8. Final review of the formal detailed adjudication on the Polish claim in respect of the gold of the Bank of Danzig : 4,726 kgf, circulated under INT-2139, dated 8 January, 1952. Amended pages : INT-2202, dated 21 February, 1952 (substitution of pages 1, 2 and 3).

This adjudication was examined.

The French Commissioner drew attention to the reference to the Bank of Danzig's balance sheet in paragraph 3, page 4. He asked what weight could be attached to a document of this nature, obtained from outside sources.

The Chairman pointed out that this was a corroborative and not a determining factor in this adjudication.

Decision :

T-his adjudication was classified as finally reviewed.

9. Final review of the formal detailed adjudication on the claim of Luxemburg for 4,317.2028 kgf, circulated under INT-2129, dated 21 December, 1951. Amended pages : INT-2191, dated 19 February, 1952, (substitution of pages 1 and 2).

This adjudication was examined.

The American Commissioner referred to the 2nd and 3rd paragraphs, page 9, where the intentions and effects of the decree law of 5 February, 1941, were analysed. He felt that these paragraphs should be either omitted or modified, since other Governments in exile, such as Belgium, etc..., might quote decrees of their own, which have not been taken into consideration by the Commission.

The Chairman and the French Commissioner agreed.

The Secretary General suggested that it might be mentioned that the decree had been noted, merely to show that it had not been lost sight of.

This was agreed.

The American Commissioner mentioned that a point had been discussed, but not pressed, while he was in Washington. This was the reinforcement of the rationalization of the monetary gold aspect.

T-he French Commissioner suggested that certain passages might, perhaps, be redrafted in a more affirmative and less interrogative form.

T-he Secretary General made a note of this suggestion.

Decision :

Subject to what is said above, this adjudication was classified as finally reviewed.

10. Reply to the letter from the Austrian Minister, dated 7 April, 1952, (forwarding supplementary data on Austrian claim for 12,989 kgs of gold) - circulated under INT-2285 of 9 April, 1952).

Decision :

the Secretary General was authorized to acknowledge receipt of the above letter and to state that he had submitted it to the Commission.

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11. Other Points for discussion.

A. Letters to Her Britannic Majesty's Ambassador at Vienna and to the Governor of the Bank of England.

These letters, drafts of which had been circulated under the Secretary General's INT-2293, dated 18 April, 1952, were approved and signed.

B. Statement by the Secretary General regarding supporting documentation to the adjudication.

The Secretary General read out the relevant passage of the Commission's communication to the three Governments of 24 May, 1951, in which the Commissioners gave a list of the documentation which it considered should be available in support of the Commission's adjudications. He also referred to his own recommendation to the Commission on this subject contained in Item 5 of his Memorandum INT-2181, dated 13 February, 1952, and recalled that the Commission, at its 120th Meeting, had ruled as follows :

"First recommendation agreed".

"With regard to the second recommendation, the whole of the supporting documentation is not to be photocopied but only a selection, and this selection is not to be bound with the adjudication concerned, but is to be bound separately, under a separate cover".

He then displayed, with a view to showing how the supporting documentation would be presented, the bound and sealed photocopies of the correspondence exchanged between the Commission and Italy and Albania, which had been circulated at the request of the Arbitrator in the matter of the gold of the Bank of Albania.

Finally, he laid on the table the very voluminous documentation furnished by the Netherlands and sought the Commission's advice regarding the documentation to be selected in support of the adjudication on the claim of the Netherlands which had been classified as finally reviewed at the 122nd Meeting.

At this stage, the American Commissioner stated that his Government's view was that it was not necessary to have the supporting documentation photocopied for communication to the three Governments or other Governments with the copies of the Commission's adjudications. His Government considered that it would be sufficient to have this documentation available in the Commission's archives.

The Chairman remarked that the Commission's letter to the three Governments of 24 May, 1951 had stated that the Commission considered that this documentation should be "available", but had not mentioned in what form or how many copies should be available.

The French Commissioner stated that it was necessary to study this matter further and to see what procedure other organizations had adopted. He suggested that the Secretary General should visit the Secretariat of the International Court.

Decision :

1. This was agreed and the Secretary General was directed to furnish a report after his visit.
2. In the event that it should become clear that it was not necessary to annex copies of supporting documentation to copies of adjudications furnished to the three Governments or Claimant Countries, the Secretary General would have to make sure that the Secretariat could make such documentation available at short notice.

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C. Reconsideration of the question of the number of original copies of the Commission's adjudications to be signed and made available by the Commission.

The American Commissioner stated that his Government's view was that it was not necessary to have more than one French and one English signed copy of the adjudications.

The Chairman recalled the Commission's policy, as recorded at the 120th Meeting, which was that there should be six signed copies in each language. The American Commissioner now suggested only one of each.

The Secretary General suggested that it might be found necessary to have at least two of each, one for the Commission and one for eventual service on or communication to Claimant Countries concerned.

Decision :

1. It was agreed that the Secretary General would endeavour to clarify this question in the course of his visit to the International Court.
2. That, subject to the results of this visit, two copies of the French and English texts of the adjudications would be typed and signed.

D. The announcement, covering letter and waiver.

The Chairman quoted from his letter RW/81, dated 21 April, 1952, circulated under the Secretary General's INT-2296, dated 21 April, 1952. He referred to the waivers which had been signed at the time of the interim distributions, to the draft final waiver which had been drawn up at the Tripartite Governmental Conference of January 1950 to replace them, and to the fact that it now appeared, from the technical statement of the Foreign Office, that the latter waiver might not be consistent with the contractual negotiations now taking place with Germany. He (the Chairman) asked his American colleague if he could enquire into the present position since the January 1950 waiver had been drafted by the State Department's Legal Adviser.

The French Commissioner pointed out, with particular reference to what had been said earlier in the Meeting at Item 1, that, in any event, the use of the term "third country", without some qualification, in paragraph 1(b) and (c) of the draft final waiver, might lead to some confusion.

Decision :

The American Commissioner agreed to make the necessary enquiries and to draw attention to the French Commissioner's observation.

E. Amendments suggested by the Chairman to the adjudications on the Czech and Austrian claims.

The Chairman referred to his letter RW/76, dated 17 April, 1952, circulated under cover of the Secretary General's INT-2288, dated 17 April, 1952. The amendments in question had been suggested with a view to eliminating controversial subjects and in the interests of consistency. He asked for the views of his two colleagues.

The latter said that they had no comments to make.

The Secretary General stated that he had already incorporated these amendments in the copies of the adjudications in the possession of the Secretariat.

Decision :

The two amendments were approved.

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F. Brief reasoned opinion for the action of the Commission in disallowing the claims of :

- the Greek Government for 7,358 kgf,
- the Belgian Government for 6,434,2319 kgf,
- the Government of Luxemburg for 93,4988 kgf.

1) General observations.

The Commission agreed that, if these brief reasoned opinions were used, they should be sent out in the form of a memorandum and that the last paragraph "done in Brussels ..... equally authentic", the signatures and the penultimate paragraph "no share .... etc ...." should be omitted, also that the words "the Commission's formal adjudication lodged with the Governments of ... etc ..." should be replaced by the words "the formal adjudication made by the Commission, a copy of which will be lodged with ... etc ...".

With regard to the brief reasoned opinion concerning the Greek claim, there were no comments.

With regard to the brief reasoned opinion on the claim of Belgium, the French Commissioner suggested including a reference to the proceedings taken against the directors.

With regard to the brief reasoned opinion on the claim of Luxemburg, the American Commissioner suggested omitting "essentially" in the last paragraph but one, Page 2, and substituting "was, in fact". He also suggested substituting, on Page 1, "the Trust funds appear tied in no way to the monetary reserve of the State" for the present wording.

The French Commissioner suggested including a statement to the effect that a hearing was offered and declined.

With regard to all three drafts, the Chairman had stated that he was not very satisfied with them and had asked for the views of his two colleagues. Their briefness, in his opinion, deprived them of any real value.

Decision :

The American and French Commissioners said that it seemed hardly possible to improve on these drafts, having regard to the requirements of Resolution XII of the Tripartite Governmental Conference of January 1950.

Secretary General's note.

Subsequently to the Meeting, the Chairman, the American Commissioner and the Assistant to the French Commissioner, acting on behalf of and with the authority of the latter, met and gave further thought to the problems arising in connection with the issuance of the brief reasoned opinions for the Commission's action in disallowing claims. After reviewing the matter from every angle, they arrived at the conclusion that it would be undesirable to communicate brief reasoned opinions for the Commission's action in disallowing claims since, however carefully these might and had, indeed, been worded, their very briefness deprived them of any real value and left them open to every kind of misinterpretation and attack, which would jeopardise the Commission's position and standing since, in order to parry these attacks, it would have to quote in their entirety its fully detailed adjudications. The Chairman, the American Commissioner and the French Commissioner, through his Assistant, agreed to make known the views of the Commission to their respective Governments and to consult them on this point. They further decided, in connection with the above matter, to recommend to their respective Governments that the second paragraph and the second half of the third paragraph of the Commission's covering letter to the announcement, mentioning respectively the total amounts of the claims submitted and the amounts of the invalidations, should be omitted, since these mentions did not appear to be necessary, were not called for under the Commission's Terms of Reference and could, with advantage, be omitted.

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G. Claim of the Government of Italy in respect of the "Istambi gold".

The American Commissioner asked his two colleagues whether they did not think that the time had come to take some action in regard to this claim.

The Chairman said that he would arrange for an analysis of this claim to be made in time for the next Meeting, in order that the Commission might examine whether it was possible or not to adjudicate on this claim before the fate of the dollars in the hands of the American Custodian of Enemy Property had been determined or whether some other form of decision might be placed on record.

H. Next meeting.

The Commission agreed that the next Meeting would be held at 10.30 a.m. on Tuesday 20 May, 1952.

The Meeting adjourned at 4.30 p.m.

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By **TJ NARA** Date **5/6/99**

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**January 24, 1952.**

DESP. NO.

DATE

TO : **THE DEPARTMENT OF STATE, WASHINGTON. - MX**

**AIR POUCH**

PRIORITY

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REF :  
SUBJECT: **Final Minutes 118th Meeting of Commission.**

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There are enclosed herewith the Final Minutes of the 118th Meeting of the Commission held on November 27th, 1951.

*Shirley C. Thorpe*  
**Shirley C. Thorpe for  
United States Delegation  
Tripartite Commission for the  
Restitution of Monetary Gold.**

**Enclosures:**

**Minutes 118th  
Meeting of Commission.**

*Minutes detached  
original sent to  
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... gold, the Istanbul gold and the gold of the Bank of Albania. The Chairman then proceeded to explain, in detail, how he proposed to draw up the announcements and to draft the reserves and the provisions to be included therein. Any gold left over after these announcements and any gold available from the "frozen" shares would be available for distribution later and adjustments could be made in the shares of other countries which could only be in their favor. The Commission was not making its final distribution, it was making its awards subject to certain mathematical adjustments.

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By T. NARA Date 5/6/99

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U.S.

FINAL REPORT

TRIPARTITE COMMISSION FOR THE  
RESTITUTION OF MONETARY GOLD.

118th Meeting.

27 November, 1951 - 11.00 a.m.

Members:

**H.E. Mr. R.H.L. WENDELL**

- Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland, Chairman.

**Mr. Homer S. FOX**

- Commissioner of the Government of the United States of America.

**Monsieur Jacques RUEFF**

- Commissioner of the Government of the French Republic.

**Monsieur J. Lemoine**

- Assistant to the French Commissioner.

Secretariat

**Colonel J.A. Watson**

- Secretary General.

**Mrs. F.A. Carpenter.**

1. Consideration of the draft communication to the three Governments, regarding Professor Sawyer-Hall's letter and decision (See INT-2058, dated 16 November, 1951, and INT-2061, dated 19 November, 1951).

The Chairman invited the French Commissioner to comment upon the alternative draft communication which he (the French Commissioner) had submitted for the consideration of his colleagues.

The French Commissioner made a certain number of observations on his draft, the first of which was, that he was not in favour of promising a date for the Commission's announcements. His draft was more conservative and less formal than that submitted by the Chairman.

The Chairman said that, in his opinion, there was nothing to prevent the Commission from living up to its promises if its work were not held up. If it were held up, it would be no fault of the Commission's. The Commission had made all its decisions in principle, except in two cases which were before this Meeting and which, he hoped, could be dealt with before the day was over. He felt that he could guarantee that, by the second half of January, 1952, all the Commission's adjudications would be ready, if not fully detailed, at least in summarised form, except for a certain number of points which would remain to be "tied up". Fully detailed adjudications would not be possible in certain cases, but the Commission could produce its allocations of shares in the gold pool and also announce the amount of the pool of monetary gold "available for distribution". It could then communicate these announcements to the three Governments. Through no fault of the Commission's, there would be three cases where shares would have to be "frozen", that is to say, in the case of the Danzig gold, the Istombi gold and the gold of the Bank of Albania. The Chairman then proceeded to explain, in detail, how he proposed to draw up the announcements and to draft the reserves and the provisions to be included therein. Any gold left over after these announcements and any gold available from the "frozen" shares would be available for distribution later and adjustments could be made in the shares of other countries which could only be in their favour. The Commission was not making its final distribution, it was making its awards subject to certain mathematical adjustments.

The French Commissioner said that he was afraid that the hope of an early announcement might be considered as a reason for delaying the interim delivery which the Commission had recommended should be made and which his Government was particularly anxious should be effected. In view of the complexity of the situation, it was impossible to tell what would happen. He was sure his Government would be pleased if the Commission were able to adhere to its time-table but he felt that, even if the Commission did produce its announcements by the 15 January, 1952, it would be impossible to have the fully detailed report out by that date.

The Chairman stated that it would be possible to give certain detailed decisions and summaries of the rest of the decisions.

The French Commissioner expressed the opinion that the three Governments would probably wish to see the fully detailed reports and added that, even if the Commission did give its decisions in the manner just described by the Chairman, he doubted whether his Government would consider this sufficient to enable it to give a formal approval of the adjudications which he (the French Commissioner) recalled could only be communicated to Professor Sawyer-Hall once they had all been drafted, approved and announced.

The Chairman pointed out that there was nothing in the texts governing the Commission's work which said that the Governments would wish to see the detailed reasoning of the Commission in the form of a fully documented series of detailed adjudications before the Commission announced its awards, though he fully realized that the three Governments might wish to be satisfied as to the awards before they were made known. He referred the Commission to its own Terms of Reference and to the Resolutions of the Tripartite Governmental Conference of January, 1950. It appeared from these that the three Governments would accept the Commission's decisions, but there was no doubt, of course, that they would eventually wish to see the Commission's detailed report.

The French Commissioner said that he understood the Chairman's point of view but that he felt that it would be difficult to obtain from the three Governments that they should sanction the announcement if only a part of the detailed reasoning upon which it was based was before them. He thought that the Governments would wish to wait for a formal detailed explanation of each case before endorsing the Commission's decisions, particularly having regard to the fact that the French Government, at any rate, had been informed that numerous questions, up to their unforeseen, some of them of a far reaching nature, were arising before the Commission in the course of the drafting of its decisions, even in those cases which it had, up to then, considered to be the best founded and the most definite. His (the French Commissioner's draft) was only a proposal. It seemed to him that it was more realistic to hope for an interim delivery in January than to hope that a final delivery could be effected in January.

The Chairman said that he thought that the best course would be to send out the announcements to the Governments as he had suggested. The Governments would then decide upon the action to be taken. The Governments could decide to issue the award at once or, if they wished to take time to examine it, could, if they thought fit on their own motion, direct a further distribution of gold because of the delay.

The American Commissioner recalled that a proposal for a second interim distribution was made by the Chairman on behalf of the Commission when he was in Washington.

The Chairman said that this was so and that the reply had been a call for a statement as to the position which the Commission had reached.

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The American Commissioner said that it was agreed that every effort should be made to implement a final distribution but this was, in part at least, dependent upon the three Governments. He (the American Commissioner) had no doubt the Chairman would do what he had undertaken to do but there were some points which were outside the Commission's control. He had reasons (which he explained) to believe that the three Governments would wish to reach approval on the Commission's awards before they were published. He felt that, however faithfully the Commission would keep to its program, the three Governments would take some time to approve the decisions. This was a matter which was outside the Commission's control and he could see reasons for certain delays. The question of an interim delivery was in the hands of the three Governments. How this affected the Commission's relations with Professor Sauser-Hall, who had expressed a desire that the Commission's decisions should be communicated to him, was a matter for consideration but he (the American Commissioner) was inclined not to make any commitments since the announcements might remain in the hands of the three Governments before they could be released. Another point which arose was this. If there had been no reference by the Commission to the three Governments and by the three Governments to Professor Sauser-Hall, the Commission would have dealt with the Albanian case which would have been included in the series of its decisions. It appeared now that the three Governments had taken the matter out of the Commission's hands. Could the Commission make known its own decisions until Professor Sauser-Hall's ruling had been published? Would the latter affect the Commission's other decisions?

The Chairman said that the Communists would have to ask the three Governments to say whether the Commission's announcements could be regarded as not being affected in any way by any decision Professor Sauser-Hall might make.

The French Commissioner pointed out that his draft did not positively state that the Commission would have to wait for the Professor's opinion but that this was, nevertheless, another reason for not proceeding too fast in regard to the announcements and for not giving a formal character too quickly to the Commission's own decisions. There was no decisive reason for what he had just said but he felt that it would be wise for the Commission to be extremely cautious in the matter.

The Chairman suggested that the procedural position should be placed before the Governments. The Governments had made no formal communication to the Commission since receiving the Commission's communication to them of 17 November, 1950. The Commission might address them, pointing out that it appeared, from the text governing the arbitration, that the whole matter had been taken out of the Commission's hands and stating that, if this were so, the Governments might, perhaps, consider giving the Commission a formal assurance that this did not affect its status in any way, nor the execution of its mission, particularly of that part of its mission which was laid down in Paragraph 5 (c) and (d) of its Terms of Reference. The Commission might add that it proposed, in answer to that part of Professor Sauser-Hall's communication in which he expressed a desire to receive communication of decisions of the Commission in other cases, to state that the Commission had not yet taken its decisions.

The American Commissioner pointed out that the document which had been communicated officially to the Commission by Professor Sauser-Hall was a decision taken by the Professor after hearing the Representatives of the Governments who appeared before him. He (the American Commissioner) suggested that, when communicating with the three Governments, the Commission should send them copies of the Professor's covering letters and also a copy of his decision, for convenient reference.

An exchange of views ensued as to exactly what the Commission could do to assist the Arbitrator in the absence of a formal communication, which the Commission could not make, of the Commission's decisions.

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It was agreed that the answer which would be given would make it clear that the Commission would be prepared to make available to him, and to him only, for his own personal use, such information as the Commission could give regarding its own policy and jurisprudence.

The Chairman suggested the best course would, perhaps, be to invite the Arbitrator to Brussels to meet the Commission and put such questions to it as he might consider fit. The Commission would do its best to answer these. There was, however, some doubt in his (the Chairman's) mind as to whether Professor Sauser-Hall would consider himself to be entitled to act in this manner.

The Chairman then asked if, when replies to the Commission's communication to the three Governments had been received, his two colleagues, in view of the fact that they would be away by that time, would be prepared to authorize him here and now to issue such directions to the Secretary General as he might deem appropriate regarding the reply to be given to Professor Sauser-Hall's letter of the 13 November, 1951.

The French Commissioner asked if the draft reply could be communicated to his Assistant who was familiar with his (the French Commissioner's) views and could, if need be, communicate by telegram with him.

The American Commissioner said that he was content to leave the matter in the hands of the Chairman.

A number of amendments were then agreed.

The Secretary General drew attention to the fact that he was selecting the various documents connected with the case under discussion. These were extremely numerous and a decision as to what exactly could be communicated to the Professor would raise some difficult problems which would normally require a formal decision by the Commission.

On this point, the Commission decided to leave it to the discretion of the Chairman to approve the list of documents to be communicated, subject to the replies from the three Governments.

**It was decided:**

1. that the French Commissioner would redraft the French text of the communication in the light of the exchange of views which had just taken place and hand it to the Secretary General who would draft the English text and that both texts would then be circulated for approval by the Commissioners;
2. that once the communication, as approved, had been despatched to the three Governments, and replies received from the latter, the answer to be addressed to Professor Sauser-Hall would be drafted and despatched by the Secretary General under the authority of the Chairman acting on behalf of the Commission;
3. that it was left to the Chairman to approve, on behalf of the Commission, the list of documents to be communicated to Professor Sauser-Hall, subject to the replies from the three Governments.

**Note** - With regard to 1 above, owing to the imminent departure of the Commissioners of the United States and of France and to the Chairman's absence in London, it was not found possible to reach unanimity, as quickly as circumstances demanded, on an agreed text for communication to the three Governments.

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It was, therefore, agreed that the Commissioners, individually, would take up the following questions with their respective Governments and communicate the results of their enquiries to the Secretary General for circulation to their colleagues.

1. It did not appear that the Commission could satisfy the desire expressed by Professor Sauser-Hall that decisions of the Commission on other cases should be communicated to him until it (the Commission) had completed that part of its mission laid down under Paragraph 5 (d) of its Terms of Reference - as follows :

"When all claims for restitution have been received  
and adjudicated upon, to announce the share in the  
pool of monetary gold available for restitution to  
each country entitled to participate in the pool".

The Commissioners would inform their Governments that the Commission proposed to inform the Professor, in reply to his letter of the 13 November, 1951, that it had not yet completed its decisions and could not communicate any for the time being but that it was prepared to give him, and to him only, personally and confidentially, and preferably verbally, and subject to agreement by the three Governments, an "aperçu" of its general jurisprudence and that, meanwhile, it was putting in hand his other requests.

2. The reference of the three Governments to the Arbitrator was a much wider one than that which the Commission had made to the three Governments. Its terms left the Commission in some doubt as to whether it was to consider itself as being entirely discharged, subject to whatever adjustments might be found to be necessary with regard to its status, of its mission in so far as the claims of Italy and Albania to the gold of the Bank of Albania were concerned, or whether, on the contrary, it was the three Governments' intention to refer Professor Sauser-Hall's opinion, once it had been rendered, to the Commission for a formal adjudication and allocation on the claims in question.

In either case, the Commission would wish to know from the three Governments, whether it could proceed to its announcements, as laid down in Paragraph 5 (c) and (d) of its Terms of Reference without waiting for Professor Sauser-Hall's decision, on the understanding, of course, that the Commission would include in its announcement a provision that a share in the gold pool, corresponding to the gold of the Bank of Albania, would be set aside pending a decision as to the fate of this gold.

3. Finally, the Commission would wish to know whether the text of its communication to the three Governments of the 17 November, 1950, was to be sent by it to Professor Sauser-Hall or whether this would be undertaken by the three Governments.

**Note** - The American Commissioner kindly agreed to ascertain whether these documents to be sent to Professor Sauser-Hall, which fell within the category of documents which are normally sent by bag, could be despatched via the United States bag. The American Commissioner said that he would communicate the results of his enquiries to the Secretary General and, if necessary, leave a note for the Secretary General, setting forth the procedure to be adopted.

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2. Consideration of the action to be taken in regard to the claim of Luxemburg, following upon the report circulated under cover of the Secretariat's Working Paper PER/LUX-22, dated 14 July, 1951.

The Chairman recalled the history of this claim.

When the documentation furnished by the Grand Duchy of Luxemburg had been examined, with a view to drafting the Commission's formal detailed adjudication, it had been found to be unsatisfactory in some respects and the Commission had directed the Secretary General to call for further documentation in support of Luxemburg's claim that 3,854.7487 kgs of gold belonged to it and had been looted by Germany. Luxemburg had replied at some length but the additional documentation furnished did not contain what the Commission was seeking - namely positive proof that the above-mentioned amount of gold could be considered to have belonged to Luxemburg. In the course of the meeting where this question had been discussed, the French Commissioner had agreed to seek documentation and information in Paris which would clarify the position and to furnish a note on the subject to the Commission. The Chairman then invited the French Commissioner to address the Meeting.

The French Commissioner read out the Commission's definition and referred to the contents of a note which he had prepared and which the Secretary General had circulated to the Commission. He (the French Commissioner) said that two questions arose - the first, was the Caisse d'Epargne a Central Bank or a monetary authority of Luxemburg and the second, was the gold, at the time of its looting, part of the monetary reserve of the Grand Duchy?

With regard to the first question, the Caisse d'Epargne, a Savings Bank, had been created by the State and it was controlled directly or indirectly by the State. It was also entrusted with the functions of State Cashier. Most of the State's notes were issued through the intermediary of the Caisse d'Epargne. There were two kinds of notes, those signed by the Ministry of Finance issued through the Caisse d'Epargne in its capacity as State Cashier, and the notes issued by the Banque Internationale de Luxemburg, which were issued directly by that Bank under the control of the State. The number of the latter notes was much smaller than that of the notes issued through the Caisse d'Epargne. The importation and exportation of gold was controlled by the Caisse d'Epargne under the authority of the Minister of Finance. The Caisse d'Epargne was, it was true, a Savings Bank and its statutes were those of a Savings Bank but it was set up and functioned in circumstances such as to justify, in the French Commissioner's opinion, a decision that the Caisse d'Epargne, although it was not a Central Bank, was undoubtedly a monetary authority of the State.

The Chairman and the American Commissioner both said that there was no doubt in their opinion that the Caisse d'Epargne was a monetary authority of Luxemburg.

The French Commissioner then broached the second question which was : was the gold, at the time of its looting, part of the monetary reserve of the Grand Duchy?

The Chairman interposed, saying that the Commission had been unable to tie up the gold referred to above with the notion of a metallic reserve. In most other cases, the gold had been part of the cover for a note issue. In this case, there was no direct gold cover for the Luxemburg note issue. This cover consisted in credits on the National Bank of Belgium. In certain other cases which had been before the Commission, a somewhat similar situation had arisen, particularly in the case of the Banque d'Emission whose statutes did not provide for a gold cover, and the Bank of Albania, whose cover, after its statutes had been amended, in the latter stages of its existence, was constituted by Italian lire.

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The Secretary General, here, drew attention to a similar situation which had arisen in Poland, where certain Banks, set up by the Germans, which had collected gold from the population, were not empowered by their statutes to actually hold gold.

The Chairman continued his statement by stating that what the Commission was trying to establish was that the gold referred to "belonged" to Luxemburg within the meaning of Part III. The question was really one of control. Could it be said that Luxemburg was the ultimate possessor of this gold? It was purchased by the Caisse d'Epargne. If it was the guarantee of certain individuals, could it be regarded as Luxemburg's by virtue of an all embracing control upon which the case could be based? There was another question: there was a certain amount of gold included in this claim which was actually in the name of the State and this obviously belonged to the State. It was an unique case, but the fact that gold actually belonged to the State and that the rest was not in the name of the State, might lead to a conclusion that the rest did not belong to the State.

The French Commissioner thanked the Chairman for his analysis. He said it could be argued that all the gold was not earmarked for the covering of the note issue but that part of this gold, included in the general assets of the Bank, constituted a guarantee for the notes.

The Chairman pointed out that the guarantee for the notes was constituted by credits on the National Bank of Belgium and he reminded the Commission that, hitherto, the Commission had interpreted the words "belonging to the State" very strictly.

The American Commissioner made some observations on the United States Central banking system which was somewhat unorthodox compared to most of the European systems. There were, in the United States, quite a number of monetary authorities which were not, in any sense, Central Banks although they carried out the functions of a Central Bank. The cover for notes might be said to be in several stages of "indirectness". He felt that the problem might be approached from another angle and that, in equity, the Commission might be justified in accepting the claim. The intention of Part III of the Paris Agreement was, obviously, to exclude claims for privately owned gold. The exchange of views which had just taken place showed that the gold under discussion could hardly be described as private gold. It was more in the nature of monetary gold than privately owned gold.

The Chairman said he was prepared to draft an adjudication in favour of acceptance of this claim, based on the statutes of the Savings Bank and the action which had been taken subsequently to the invasion. This was a peculiar case and the gold could not be tied up with the note issue. He would, however, wish this very difficult draft to be commented upon by his two colleagues once it had been completed.

The French Commissioner said that, in this draft, the Commission must avoid saying that the gold was the direct property of the State. He was most interested by what his American colleague had just said and thought that the American Commissioner's suggestion should be taken into account, together with the fact that the gold was, undoubtedly, under the administration of the State.

#### Decision:

The Commission's previous decision on this claim was maintained and it was agreed that the Chairman would prepare a draft in the light of the exchange of views which had just taken place, which draft would then be subject to a meticulous examination by his two colleagues, particularly in respect of the various arguments adduced.

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3. Decision, in principle, on the claim of Yugoslavia for 282,979 kgs (23 bars) - (See Minutes of the 106th Meeting - Second Part - Item 5 - and note by the French Commissioner, circulated under cover of Working Paper FR/YUG-20, dated 9 July, 1951).

The Chairman recalled the history of this case. The Commission had accepted, provisionally, the rest of the Yugoslav claim, which was a comparatively important one, in respect of the loss of gold derived from Bor Mine blister copper on the ground that, had it not been for German interference, this gold would, undoubtedly, having regard to the legislation in force in Yugoslavia, have been incorporated in the Yugoslav monetary reserve. The 282,979 kgs of gold under discussion, derived from Bor Mine blister copper, were contained in 23 bars which had been identified in the British Zone in Germany and in respect of which Yugoslavia had lodged a direct claim for restitution with the British Authorities. The British Government had ruled, however, that these 23 bars should be included in the gold pool and had advised Yugoslavia accordingly, referring that country to the Commission for any claim which it might wish to present. The French Commissioner had not agreed that this claim should be considered as forming part, automatically, of the rest of the Yugoslav claim which had been accepted by the Commission in respect of Bor Mine gold. The French Commissioner's reasons were that the Bor Mines had been nationalized by the Yugoslav Government and that an agreement had been concluded in April, 1950, between the French and Yugoslav Government whereby past relations between the Yugoslav Government and the Bor Mines were considered to have been regularized. The gold subject of the main portion of the Yugoslav claim was considered to have been paid for. The 23 bars, however, had been refined in France and taken away from France by the Germans. They were excluded from the France-Yugoslav agreement of 1950 and, therefore, could not be considered as having been paid for. The opinion put forward by the French Commissioner was that the bars must be considered to be the property of the Bor Mines.

The French Commissioner said that this was the case and that nationalization could not transfer any rights outside Yugoslavia. The bars were the property of the Bor Mines. The French Commissioner referred to his note which had been circulated by the Secretary General, in which the French Commissioner had described his views in great detail.

The Chairman said that, in his opinion, it was just possible that this claim might never have been put forward if there had been, on Yugoslavia's part, a closer "tie-up" between the institution of the claim before the Commission and the negotiations with France over the Compagnie des Mines de Bor.

The American Commissioner said that he agreed with the French Commissioner's views that nationalization could not affect anything outside Yugoslavia. He could not see, however, how the question of nationalization could affect the Commission's decision unless the agreement of April 1950 referred to by the French Commissioner specifically excluded the 282,979 kgs of gold under discussion in such a way as to make it clear that Yugoslavia waived all claims in respect of this gold, in which case, of course, all that the Commission would have to do would be to take note of this fact and declare the claim invalid. He (the American Commissioner) asked the French Commissioner whether he could communicate to the Commission a copy of the agreement in question.

A general discussion ensued and the French Commissioner quoted certain passages from the agreement.

The American Commissioner said that the gold making up the main portion of the claim, which had already been provisionally accepted, was, to employ the appropriate term, constructively monetary gold belonging to Yugoslavia. It seemed to him that the rest of the claim could only be rejected if proof were forthcoming that Yugoslavia's claim to this gold had been withdrawn.

The French Commissioner said that he would discuss the matter in Paris and give the extracts from the agreement of April 1950 which the American Commissioner had asked for. His two colleagues would see for themselves and, if they were not convinced, they could proceed on the lines which had been adopted in respect of the main portion of the claim.

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Decision:

1. It was decided that the Commission would await the extracts and information provided by the French Commissioner, and
2. that, if this documentation did not convince the British and American Commissioners, the Commission would proceed in this case on the lines which had been adopted in respect of the main portion of the claim.

4. Decision, in principle, on the method to be adopted (having regard to any information that the Czechs may supply following on their hearing) for accounting for the gold recovered by Czechoslovakia from Switzerland (See draft adjudication circulated in the form of a Working Paper FR/02-38, dated 13 November, 1951).

The Chairman read out Paragraph G of Part III of the Paris Agreement and Paragraph 9 of the Commission's letter of the 13 March, 1947. He recalled that the question for discussion was how the gold recovered by the reconstituted National Bank of Czechoslovakia from the Swiss National Bank should be taken into account. Two ways of doing this had been suggested. The first was to deduct all or part of the recovery from the claim, but this would not be equivalent to making the gold available for distribution pursuant to Paragraph G of Part III which the Chairman had just read out. The second was to deduct all or part of the recovery from Czechoslovakia's share in the pool. He (the Chairman) had suggested a way of doing this which he had outlined in the course of the 115th Meeting.

The American Commissioner said that he was inclined to prefer his own alternative which was to deduct the recovery from the claim. He read out Paragraph A of Part III of the Paris Agreement which began "all the monetary gold found in Germany by the Allied Powers" and Paragraph G which began "any monetary gold which may be recovered from a third country may be distributed ...".

Paragraph A was clear, whereas there was some doubt as to what was intended by Paragraph G. In such a case, a well-known and established principle would require that Paragraph A should be considered as prevailing. By deducting the recovery from the claim, the Commission would avoid any difficulties in connection with the Safehaven Agreement. The American Commissioner's view was strengthened by the information which was given by the Czech Representative. The gold which had been at the Swiss National Bank had been restituted to the reconstituted National Bank of Czechoslovakia which had been recognised by the Swiss Government as well as by the Czech Government as the legal successor of the National Bank of Slovakia.

The Chairman asked whether, if the American Commissioner's suggestion were adopted, the amount of the recovery would merely be deducted from the claim or whether the recovery, which was in terms of gold, would be converted into a corresponding amount in terms of claims and then deducted from Czechoslovakia's total claim. He recalled that shares in the pool, when the time came for distribution, would amount to very roughly 60% of the amounts claimed.

The American Commissioner said that he would favour deducting the amount of the recovery only, without any conversion, and he said that there were other cases where deductions of a similar nature had been made from the claim.

The French Commissioner said that this last method seemed somewhat artificial.

The American Commissioner said that what the Commission would be really doing would be dealing with the net claim. If the National Bank of Czechoslovakia had had this amount left in its own vaults at the time of the liberation, it would have deducted the amount in question from its total claim.

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The Chairman said that the Czech Government had not proceeded in this manner when answering the Questionnaire.

The French Commissioner said that acceptance of this method would mean that those countries which had been clever enough or lucky enough to recover gold direct would be allowed to remain in possession of this gold in its entirety, that is to say at a rate of 100%, whereas other claimants to the gold pool would only receive about 60%.

The American Commissioner said that the situation would be as if the gold had been continuously in the possession of Czechoslovakia.

The French Commissioner said that he favoured the Chairman's solution which was to deduct an amount of roughly 5,700 kgs (which would have to be accurately worked out) from the share.

The Chairman suggested that his two colleagues should consult their Governments regarding the two solutions.

Both the French Commissioner and the American Commissioner agreed and the latter said that he would place his enquiry mainly on the basis of the Safeguard Agreement.

#### Decision :

It was agreed that, if a deduction were made from the claim, this deduction would be for the whole amount recovered and that, if the deduction were made from the share, it would be for the amount mentioned by the Chairman, that is to say roughly 5,700 kgs, but that the question would be left in suspense until the three Commissioners had consulted their respective Governments and the final decision taken later.

#### 5. Observations of the Austrian Government following upon the hearing of its Representatives by the Commission on 24 September, 1951. (These will be circulated in time for the Meeting).

The Chairman referred to the observations of the Austrian Government following upon the hearing of its Representative by the Commission on 24 September, 1951. In his opinion, these observations did not affect the Commission's previous provisional decision on this case in any way but the juridical arguments put forward by the Austrian Government would have to be quoted in the adjudication and answered, particularly having regard to the fact that the Commission had, in his opinion, quite rightly, based its decision on the Commission's own "law" which differed somewhat from domestic law such as had been quoted by the Austrian Government.

The French Commissioner said that what had happened in fact in Austria was that gold belonging to private persons had been purchased for the account of the Germans.

The American Commissioner said that, at first sight, his reaction had been a somewhat different one to that of his colleagues. Some of the sales to the "Austrian National Bank in liquidation" were voluntary because the holders of the gold were tempted by the favourable exchange rate which they knew would cease to be applied once the Reichsbank started functioning exclusively on Austrian territory. It looked as if the National Bank of Austria, in liquidation was still, during the period of these sales, the Central Bank of Austria.

The Chairman suggested that the Commission's previous provisional decision should be maintained and that the Commission should leave it to him to try and produce a convincing adjudication on the lines which he had suggested.

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The American Commissioner agreed, subject to a specific reserve in respect of any further information which might be forthcoming.

The French Commissioner said that, if his American colleague did not find the Chairman's draft adjudication convincing, the matter would have to be discussed again.

The American Commissioner said that he would be quite willing to adopt the suggestion that the Chairman should proceed on the basis of the provisional decision which had been made.

The French Commissioner recalled that the Commission had reached certain conclusions regarding a portion of the claim of the Royal Netherlands Government on the grounds that the Nederlandsche Bank knew that the purchases it was making from private persons were for the account of the Germans. The same observation applied to the operations of the Austrian National Bank.

#### Decision :

It was decided that the Chairman would draft an adjudication on the lines of the previous decision and in the light of the exchange of views which had just taken place.

The following resolution was adopted :

"The Commission deems it appropriate to record that, on the termination of its 118th Session, it has taken decisions, in principle, on all the claims that have been brought before it by countries claiming to share in the gold pool.

"Owing to the absence of the Commissioners of France and of the United States of America from Brussels for some time, these Commissioners have entrusted the Commissioner of the United Kingdom with the task of preparing detailed adjudications, summaries of the Commission's reasoning, together with the necessary papers and documents for an announcement by the Commission on the shares of claimant governments in the gold pool, by the second half of January, 1952.

"The Commissioner of the United Kingdom is asked to keep in touch with his colleagues as much as may be possible in the circumstances so as to obtain the greatest possible measure of agreement on the drafts before the Commission approves".

The Chairman then said that he thought that, apart from the fact that he felt that adjudications should be prepared on the level of the Commissioners, his active participation in the work of the Secretariat would afford some relief to the Secretary General, who had to cope with an immense amount of work, which had just been increased considerably by the location near the Commission of the seat of the Italo-Albanian arbitration. The Secretary General's very complete knowledge of the facts and documentation of each case and regarding the accounts of the gold pool and of the Commission and his preliminary drafts of the reasoning and decisions of the Commission, were proving of the greatest value.

The Meeting adjourned at 7.15 p.m.

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FINAL MINUTES

TRI-PARTITE COMMISSION FOR THE  
RESTITUTION OF NORTHERN GUILD

115th Meeting

14 November 1951 - 1.30 p.m.

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PRESENT :

H.E. Mr. Ronald WINGATE

- Commissioner of the Government of  
the United Kingdom of Great Britain  
and Northern Ireland - Chairman.

Mr. Homer G. FOX

- Commissioner of the Government of  
the United States of America

Monsieur Jacques RUEFF

- Commissioner of the Government of  
the French Republic

Monsieur J. Lanson

- Assistant to the French Commissioner

Secretariat

Colonel J.A. Watson

- Secretary General

Mrs F.L. Carpenter

1. Consideration of any documentation which may have been received from the Royal Netherlands Government and compilation of a list of the questions to be posed to the Representatives of that Government at the hearing on 20 November 1951.

The corrected submission and additional documentation requested from the Netherlands Government had only just been received and circulated by the Secretary General.

The Chairman gave his two colleagues a general idea of the questions he proposed to ask at the hearing of the Representatives of the Netherlands. It was agreed that he would circulate, through the Secretary General, a list of these questions for the benefit of his colleagues.

The American Commissioner said that he was in general agreement with the questions the Chairman proposed to ask.

The French Commissioner also expressed his agreement and stated that there were one or two other points on which he (the French Commissioner) would seek clarification. In particular, he felt that copies of the Orders No. 23/1940 and No. 3/1940 of the Reich Commissioner for occupied Netherlands territory referred to in the order of the Secretaries General supplied by the Netherlands Government, should be called for and that the Netherlands Government should be invited to give precise information regarding the degree of freedom or dueses involved in the purchases and payments by the Nederlandsche Bank of gold acquired from private persons and to furnish the figures of the amounts involved in its claims to four decimal points so that they might be dealt with on the same basis as all the other claims which had been submitted to the Commission by other claimant countries.

It was agreed that a list of the questions the French Commissioner proposed to ask should be circulated.

DECISION

It was decided that the two lists of questions referred to would be circulated, through the Secretary General, as soon as possible.

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2. Answer to be given to the Czech Minister's question as to what the Representatives will be questioned about. Consideration of a Working Paper - draft adjudication - on the Czechoslovakian claim for 25,087,500 kgs which will have been received from the Chairman prior to the date of the Meeting and compilation of a list of the questions to be posed to the Representatives of the Czechoslovakian Government when they are heard (possibly on 21 November 1951)

The Chairman referred to the note which accompanied the draft adjudication on this claim which he had submitted for the consideration of his colleagues. He gave certain explanations and briefly recapitulated the history of this very complicated claim. Czechoslovakia had established that it had lost all its monetary gold. A question had arisen as to whether the Czech economy could be considered to have benefited by the free Reichsmarks which had been placed at the disposal of the Bank of Bohemia and Moravia. This idea had, after meticulous consideration, been abandoned. There was no date on which the Commission could have proceeded and, in any event, German intervention in Czechoslovakia had been of such a nature that Czechoslovakia could not be considered to have benefited by the operations referred to. Czechoslovakia, however, had recovered from Switzerland, after the liberation, 7,107,441.72 kgs of fine gold which had accumulated during the occupation in an account in the name of the National Bank of Slovakia at the Swiss National Bank and the question arose as to how this was to be accounted for. The first point was, did this gold originate from Germany? The second point was, should this gold be treated, pursuant to paragraph C of Part III of the Paris Agreement, as gold recovered from a third country?

He (the Chairman) was of the opinion that 5,710,014.51 kgs, at least, should be treated as having been recovered from a third country and, consequently, deducted from Czechoslovakia's share in the gold pool. There was a case for holding that some 5,000 kgs had been recovered but he (the Chairman) would fall in with his two colleagues' views on this point.

The French Commissioner asked whether it was known on what grounds the gold had been restituted by the Swiss National Bank to the reconstituted National Bank of Slovakia.

The Chairman said that attempts had been made to obtain this information but that the Secretariat had not succeeded in obtaining it. He (the Chairman) proposed to question the Czech Representatives on this point. He also proposed to question them regarding the status of the National Bank of Slovakia and the National Bank of Bohemia and Moravia. He would hand a list of the questions he proposed to ask to the Secretary General for circulation after this Meeting.

The French Commissioner then enquired whether a decision that the gold should be deducted from Czechoslovakia's share in the gold pool would not cut across the Safehaven Agreements.

The Chairman said that this was a matter on which the three Governments would have to be consulted and the American Commissioner concurred with this opinion, provided the Commission should decide tentatively that a deduction should be made in this manner.

The American Commissioner then raised a question as to whether the Commission was entitled to increase the gold pool since the gold pool was not in its custody but in that of the three Governments.

The Chairman said that this point might be met, to a certain extent, at least, by lumping all gold recovered from a third country in one column of the announcement which would be made and making a separate calculation of the shares of this particular gold according to the various claimant countries. The gold pool proper would be dealt with apart.

The American Commissioner then outlined a plan for turning the difficulty which consisted in deducting the gold in question from Czechoslovakia's total claim instead of deducting it from its share in the gold pool.

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The Secretary General pointed out that the validation of a claim for - say - 100 kgs, gave the successful claimant a right to receive about 60 kgs from the pool. A deduction of - say - 3,710,014.81 kgs from Czechoslovakia's total claim would not, therefore produce the same results as a deduction of this same amount from Czechoslovakia's share in the gold pool.

DECISION

1. It was decided that the Secretary General should circulate the Chairman's list of questions.
2. It was agreed, in principle, (subject to what is said at 3 below) that all Czechoslovakia's claims were valid, with the exception of that in respect of the Skodaworks' gold.
3. It was agreed, in principle, that a deduction would have to be made in respect of the gold recovered by Czechoslovakia from Switzerland, but the question of the method to be employed for this purpose and of the actual amount to be deducted, was reserved for discussion at a later Meeting.
4. It was agreed that if need be the Commissioners, individually, would enquire from their respective Governments whether a deduction from Czechoslovakia's share, in respect of the gold referred to at 3 above, would cut across the Safeguard Agreements in any way.
5. The Secretary General was authorized to give the Czech Delegate verbally an idea, on lines which were indicated to him, of what the Representatives would be questioned about.

3. Statement by the American Commissioner on the Commission's decision taken at the 11th Meeting, regarding certain gold acquired by Belgium and subsequently discovered to have originated from Austria and Czechoslovakia.

The Chairman invited the American Commissioner to address the meeting.

The American Commissioner read out a statement containing certain "comments on the statement accompanying the Commission's formal adjudication on the Belgian claim for 198,533.8417 kgs of fine gold".

In answer to a question from the Chairman the American Commissioner made it clear that he was not suggesting in any way that the case should be reopened. The statement was made for inclusion in the Commission's records.

Both the Chairman and the French Commissioner asked if copies of this statement could be circulated and they reserved the right to comment upon it after perusal.

IT WAS DECIDED

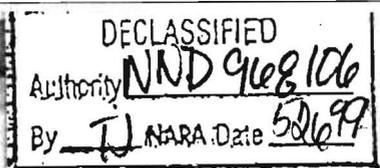
That the Secretary General should take action accordingly.

NOTE: The Chairman wrote, subsequently to the meeting, on 16 November 1951 to the American Commissioner, (sending, at the same time, copies of his letter to the French Commissioner and the Secretary General) and made certain observations on the American Commissioner's statement.

The American Commissioner replied (copying his letter to the French Commissioner and the Secretary General) on 19 November 1951 to the effect that he would be glad to discuss the points raised by the Chairman if the latter so desired, but as his statement was intended merely as an expression of his own views and not as a draft for an agreed official paper he suggested that perhaps the Chairman's wishes would be met if his letter and the American Commissioner's acknowledgment were to be filed with the

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statement. This suggestion has been noted upon.

4. Consideration of the French Commissioner's Working Paper, dated 1 November 1951, on the adjudication, drafted in pursuance of the decision taken at the 11th Meeting, on the Yugoslav claim for 117,5885 kg.

The Chairman described what had happened in this case. The Commission had, in the course of the Commission's classification of claims which had constituted an essential preliminary to the interim distribution which had been made, on instructions from the three Governments, in 1948/49, classified this claim as invalid. Later on, as work progressed and detailed reasoning came to be put on paper in the course of the drafting of the Commission's formal adjudications it had seemed that this might be one of the border-line cases where a validation might be found to be more equitable and more in accordance with the Commission's general policy and line of reasoning than an invalidation. The Secretary General had been directed to draft a detailed formal adjudication validating the claim, in order to enable the Commission to determine whether a detailed history of the claim followed by arguments in favour of its acceptance outweighed the arguments, with which the Commission was already familiar, in favour of rejection. He (the Chairman), after perusal of the draft, had been inclined to accept it but his French colleague had developed arguments (which it was agreed he would incorporate in a note for circulation) against this action. The Chairman, on reconsidering the matter in the light of his French colleague's note, which he had received, was now prepared to fall in with his French colleague's view that the claim should be rejected.

The American Commissioner also expressed the view that this claim should be rejected.

The Chairman said that this was an example of the extreme complexity of the Commission's work and of the meticulous care which the Commission had to take before committing itself to a decision. This was, indeed, the reason why most of the exchanges of views between the Commissioners were effected in the form of Working Papers. Their final decisions would only be taken when the entire series of the Commission's adjudications had been completed.

DECISION

The Secretary General was directed to draft and circulate, for consideration, a detailed formal adjudication rejecting this claim.

5. Statement by the French Commissioner regarding the adjudication, drafted in pursuance of the decision taken by the Commission at its 68th Meeting, on the Yugoslav claim for 472,1425 kg.

The Chairman referred to an exchange of correspondence which had taken place between the French Commissioner and himself regarding this draft adjudication as follows:-

The French Commissioner had written saying that, on re-examining the file he had noted that the number of the cases of gold involved was based on the somewhat vague recollection of a not entirely satisfactory witness. He (the French Commissioner) had asked the Chairman whether he did not think that the Yugoslav Government should be asked to confirm the number of missing cases. This would give a firmer basis to the Commission's decision.

The Chairman had replied that he shared the French Commissioner's views that the evidence as regards the ten cases was not very categorical or very strong. He thought, however, that it would be difficult to obtain further evidence at this stage and he was of the opinion that the Yugoslav Government had given all the evidence it could give. The case for the amount looted really rested on a number of factors which he (the Chairman) had enumerated in his reply. The looting from the Ostrog Monastery of gold, which was certainly part of the Udice gold, had undoubtedly been proved. The number of boxes of gold unaccounted for in this particular case was 20 and he (the Chairman) was of the opinion that, in view of all the facts which were known, the Yugoslav Government could have put up quite a reasonable case for claiming the contents of 20 cases, but they had confined themselves

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to a claim for only 10 cases in view of the corroborative evidence. He felt the documentation was sufficient, as it was, to justify a favorable adjunction in respect of the contents of 10 cases. He had no objection to scaling down the average content per case to be used as a basis for the calculation of the amount accepted to 45,271A3 kgs which would, for 10 cases, give a total figure for acceptance of 452,771A3 kgs.

Both the French and American Commissioners agreed that the above average (which was the minimum which the ten cases could have contained) should be taken as a basis for the calculation.

With regard to the actual number of cases, the French Commissioner developed further arguments in favour of his suggestion that the Yugoslav Government should be asked to confirm this number.

After an exchange of views,

IT WAS DECIDED

1. That the Secretary General should approach the Czech Delegate with regard to the production of further evidence regarding the number of cases. YUGOSLAV

2. That the average content of one case to be used as a basis for the calculations would be 45,271A3 kgs.

6. Consideration of any observations which may have been received, prior to the date of the Meeting, from the Austrian Government on the verbatim report of the hearing of the Austrian Representatives which took place on 24 September 1951.

The observations of the Austrian Government had not yet been received and,

IT WAS DECIDED

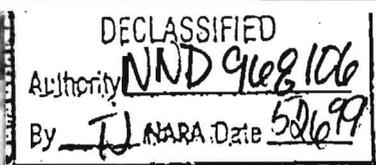
to postpone the consideration of this question until a later Meeting.

7a. Consideration of any communication which may have been received prior to the date of the Meeting, from the Arbitrator appointed pursuant to the agreement, dated 25 April, 1951 between the three Governments, following upon the Meeting held by him in Brussels on 5 November 1951.

The Chairman called upon the Secretary General to explain the position as it stood at the date of the meeting.

The Secretary General reported a conversation he had had with Professor Sausser-Hall when the latter visited him after the meeting on 5 November 1951. The Professor had read out to him certain passages from the final minutes of the meeting which had just taken place. He (the Secretary General) had explained to the Professor that when these minutes were communicated to him officially he would be unable to take action on them automatically but would only be able to acknowledge receipt of them and to reply that he would submit the documents to the Commission for instructions. He was the executive agent of the Commission whose status he described to the Professor who had not yet seen the Commission's Terms of Reference. He (the Secretary General) had ascertained by telephone that the minutes and a covering letter from the Professor were on their way to the Commission.

The Chairman said that following upon this conversation with the Secretary General the Professor had asked to see him and that he had confirmed that the standpoint adopted by the Secretary General was strictly in accordance with his status and with that of the Commission. He (the Chairman) had handed a copy of the Commission's Terms of Reference to the



Professor. He had, naturally, explained that the Commission would assist and help the Professor to the best of its ability but that any action taken would have to be sanctioned by a unanimous decision of the Commission taken in one of its meetings in accordance with the Commission's Terms of Reference. It was clear from the Secretary General's report that there were three points which would require consideration by the Commission.

1. The Secretarial, administrative and procedural action desired of the Commission as part of the arbitration.
2. The communication, by the Commission to the Professor, -
  - a) of all documents directly concerned with the "Italo-Albanian case"
  - b) of decision of the Commission in other cases.
3. The clarification of certain procedural problems which might arise.

With regard to 1, there would be no particular difficulty, although successful action would call for very close liaison and coordination between the Secretariat and the Professor.

With regard to 2(a) the selection of the vast mass of documents desired and the production of 21 copies of each of these documents - a single set of which would probably represent some thousands of pages - would be a somewhat formidable but by no means insurmountable task but it would seem that the three Governments would have to be consulted with regard to the communication of the formal Reference which had been made to them by the Commission on 17 November 1950.

With regard to 2 (b), it appeared, for obvious reasons, that no decisions of the Commission on other cases could be communicated until all claims had been adjudicated upon and the announcement, which it was the Commission's duty to make under Paragraph 5(d) of the Commission's Terms of Reference, had been made.

With regard to 3, the American Commissioner said that he was of the opinion that clarification might have to be sought.

The French Commissioner, referring to the wording of the passage setting forth the mission entrusted to the arbitrator in paragraph 2 of the Washington Agreement, stated that, in his opinion, it could not be considered that this mission encroached upon the prerogatives of the Commission. The latter had, in fact, asked the three Governments to tell it who was the owner of the 2,338 kgs of gold looted in Rome by the Germans. This was exactly what the three Governments had asked the arbitrator to indicate to them. The French Commissioner, therefore, held the view that the three Governments, as soon as they were in possession of the opinion of the arbitrator, would satisfy this opinion to the Commission in answer to its communication to them of 17 November 1950. notify

#### IT WAS AGREED

that no decision could be taken until the Professor's formal communication had been received.

8. Consideration of any report which may have been received, prior to the date of the Meeting, from the Secretary General regarding charges levied in respect of safe custody of the gold pool.

The Secretary General said that as he had not yet received certain information which he had asked for, on a semi-official basis, from the Bank of England, he could not yet submit his report.

9. Other points for discussion

Commission's expenses for Professor Sauer-Hall's Meeting

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Authority to the Secretary General to charge extraordinary expenses to the gold pool.

The Secretary General reported that he had had to expend the following sums in connection with Professor Lasser-Hall's Meeting of 5 November 1951, in Brussels:

1. Interpreter.....	4,539 Frs
2. Press writer.....	2,454 Frs
3. Bailiast.....	300 Frs
4. Hire of Committee Room.....	500 Frs
5. Cleaning.....	109 Frs

Total..... 7,882 Frs

This could not be classified as expenses of the Commission incidental to the carrying out of its functions, in respect of which no special authority was required since Paragraph 3 (d) of the Commission's Terms of Reference constituted a permanent authority for this type of expenditure, under the control of the Commission. In the present case, a special authority from the Commissioners, acting as agents of the three Governments, was required for production to the auditors.

DECISION

The three Commissioners, acting as agents of the three Governments, ratified the action which had been taken by the Secretary General in expending the above listed amounts.

The Meeting was adjourned at 6. p.m.

TRI-PARTITE COMMISSION FOR THE  
 RESTITUTION OF MONETARY GOLD.

111th Meeting.

31st July, 1951 - 3.30 p.m.

Present :

H.E. Mr. Ronald VINGATE	- Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland, Chairman.
Mr. Homer S. FOX	- Commissioner of the Government of the United States of America
H.E. Monsieur Henry SPITZMULLER	- Commissioner of the Government of the French Republic
Monsieur J. Lanson	- Assistant to the French Commissioner.

Secretariat

Colonel J.A. WATSON	- Secretary General
Mrs. F.A. Carpenter	

1. The rival claims of Italy and Albania to the gold of the Bank of Albania.

The Chairman referred to the report circulated by the Secretary General of a visit which he had received from Ambassador Sola (DNT-1959, dated 27th July, 1951).

He (the Chairman) said that he had noted, with interest, the trend of thought of Ambassador Sola as reported and that he intended to inform his Government of what Ambassador Sola had said.

The American and French Commissioners conveyed that it was their intention, also, to inform their Governments of what Ambassador Sola had said.

There ensued a general exchange of views regarding possible developments, with a view to clarifying the position from the angle of the Commission, but no decisions were taken since the principles involved concerned the three Governments exclusively.

2. Reply, if any, to be given to the Albanian Minister's letter Ref. A/10, dated 21st July, 1951, (circulated under cover of the Secretariat's DNT-1956, dated 26th July, 1951).

The Chairman said that he was of the opinion that the only action to be taken would be for the three Commissioners, individually, to send a copy of the letter to their respective Governments. It appeared to him that it was not necessary to acknowledge receipt. The letter was a registered one and the Albanian Minister therefore knew that the Commission had received it. The Commission could not, in his view, answer any of the points raised in the letter, since the case had been referred, for certain decisions that his colleagues knew about, to the three Governments.

The American and French Commissioners concurred with these views.

The Commission also considered a question which was raised.

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This was that the Albanian Minister had made a point of the fact that the documents referred to in the Italian memorandum to the Commission, which had been communicated to Albania, had not been annexed to the memorandum. The reason for this was that the two documents had been considered as constituting a claim by Italy to restitution of the gold of the Bank of Albania, whereas the memorandum had been considered as constituting, for the first time, a formal claim by Italy in respect of this gold and had, therefore, been communicated to Albania. The Albanian Minister had been persistent in his demands that the two documents referred to should, also, be communicated. The question raised was whether any action should be taken in regard to these demands, or not.

After an exchange of views, the Commission decided :

- i. that it would not be opportune, at that stage, to take any action other than the communication of the Albanian Minister's letter to the three Governments;
- ii. that the Secretary General should circulate additional copies of the letter to the Commissioners for onward transmission to the three Governments.
3. Review of the claim of Yugoslavia to restitution of 112,61669 kgs. of gold "sold" by the Bank of Serbia to various German Services. (Secretary General's FER/YUG-23, dated 24th July, 1951).

The Chairman referred to the working paper on the above subject, which had been circulated by the Secretary General in the light of the decisions which had been taken by the Commission on certain other similar claims - particularly the decision on an Austrian claim, where the German controlled "National Bank of Austria in Liquidation" had acquired gold from private persons, pursuant to a German "reinforcement" of the Austrian pre-war laws, and delivered it to the Reichsbank and, also, the decision on a claim of the Netherlands, where the German controlled Nederlandsche Bank had acquired gold from private persons pursuant to German orders and transferred it, under various protests, to the Reichsbank. In both cases, the operations had been effected after the Germans had taken over the control of the country and of its Central Bank, and such gold had never formed part of the genuine pre-war monetary reserve of the two countries.

The National Bank of Serbia had been set up, lock, stock and barrel, by the German Military Commandant in Serbia and it had "acquired" 220,58683 kgs. of gold, which had been surrendered to the Bank by private persons, pursuant to German orders, or purchased by the National Bank of Serbia, from German Services, which had seized it from private persons.

Of this amount of 220,58683 kgs., 107,70829 kgs. had been "looted" by the organization of "Drasa Maba-flevis", 0,261185 kgs. had been found in the vaults of the Bank after the liberation and 112,61669 kgs. had been "sold" by the Bank to various German Services, in circumstances which amounted to duress and without payment of any real compensation.

Yugoslavia had claimed restitution of the 112,61669 kgs. on the grounds that this amount "belonged" to Yugoslavia and had been "looted" by Germany.

He (the Chairman) was of the opinion that, at the time of the looting, this gold did not belong to Yugoslavia, since it belonged to the National Bank of Serbia which was, to all intents and purposes, a German Bank and did not originate from Yugoslavia's pre-war monetary reserve (in which case grounds might have been found for upholding the claim), but from private persons from whom it had been "acquired" compulsorily, pursuant to German orders. He (the Chairman) was of the opinion that this claim should be rejected and that the Secretary General should be directed to draw up an adjudication, based on the reasoning set forth above, for the consideration of the Commission.

The American and French Commissioners spoke in the same sense and the proposal was unanimously agreed.

Decision :

The Secretary General was directed to take action accordingly.

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4. Review of the claim of Yugoslavia to restitution of 117,55263 kgs. removed by the Ustachis from the State Bank of Croatia.

The Chairman referred to the working paper which had been drawn up, on this case, by the Secretary General, in the light of certain other decisions which had been taken by the Commission, particularly those which had been referred to under Item 3. (FIR/YUG-49, dated 7th July, 1951).

When examining this claim in the past, the Commission had concentrated upon certain incidents which had taken place during the last stages of this gold's journey before its final disappearance and the question which had arisen was whether certain persons who had diverted a truck, presumed to be carrying this gold, could be considered to have been German soldiers or not. The Commission had decided that the evidence was too flimsy to be accepted and had provisionally rejected this claim. The Chairman wondered whether a "looting" by Germany had not taken place at a much earlier stage in the history of this gold, that is to say when the Axis Powers had "raped" Yugoslavia and set up, among other measures, the so-called Independent State of Croatia in which they created a "National Bank of Croatia", which was nothing more or less than a German controlled bank. The Ustachis had placed in the vaults of this bank 109,34,775 kgs. of gold originating from the National Bank of Yugoslavia which was the genuine Central Bank of Yugoslavia and had been "liquidated" by the Axis Powers. 8,20409 kgs. had been purchased by the State Bank of Croatia, pursuant to enemy orders, subsequently to the invasion of the country and these, in the Chairman's view, fell into the same category as the gold discussed under Item 3, but the remainder, that is to say 109,34,773 kgs., was gold "belonging" to Yugoslavia, as part of its genuine monetary reserve, when it was lost as a result of, and following upon, its removal by the Ustachis, and the Chairman suggested that the Yugoslav claim might well be accepted for this amount.

The American and French Commissioners spoke in the same sense and

IT WAS AGREED :

that the Secretary General should draw up, for the consideration of the Commission, a draft adjudication validating the claim up to 109,34,773 kgs. on the lines of the Commissioners' reasoning, and rejecting the remainder of the claim.

5. Exchanges of views regarding the question of the recovery by Czechoslovakia from Switzerland of 7,107,44172 kgs.

The Chairman asked his colleagues whether they were prepared to continue the discussion of this question. He recalled that a note was written on the general question of recoveries from the American Commissioner.

The American Commissioner said that he was not yet ready to give a detailed opinion on all the questions of recovery, but that he was prepared to speak on the question of the Czech and Austrian gold acquired by Belgium from Germany. The Minutes of the exchange of views which followed are given below as Item 6.

6. Czech and Austrian gold acquired by Belgium.

The Chairman recalled that doubts had been expressed as to whether, in view of the declarations of the United Nations and other considerations, the claim of Belgium to restitution of 198,433,8417 kgs. of gold should not be reduced by the amount of the Czech and Austrian gold acquired by Belgium from Germany and, also, as to whether the three Governments should not be advised, officially, of the situation.

For various reasons the question had been left in abeyance up to the date of this Meeting.

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The American Commissioner, informally, and stressing that his views were only tentative at that stage, developed, in great detail, arguments tending to show that the acquisition of the above-mentioned gold by Belgium could be considered as legitimate, that it had thus become a part of Belgium's genuine monetary reserve and that the Commission's provisional decision to validate the Belgian claim for 198,433.84.17 kgs. should be maintained.

The Chairman said that he was inclined to accept the American Commissioner's views, but that he was not prepared to commit himself definitely at that stage and would require to study very carefully the details of the note which his American colleague had just read out and which he hoped the latter would be good enough to have circulated for the benefit of his colleagues. In any event, he considered that the three Governments would have to be apprised of the position and the Commission's action if the American Commissioner's suggestion were adopted. He stressed that the communication to the three Governments would not, in his opinion, take the form of a consultation since the decision in the matter was one for the Commission to take, but that it would be merely informative. If the three Governments had any comments to make, they would, no doubt, make them before the Commission's final review of all cases.

The French Commissioner said that he, too, would like to study the American Commissioner's note before expressing a definite opinion.

It was agreed:

- i. that the American Commissioner would forward his note to the Secretary General for circulation;
- ii. that, if the American Commissioner's views were adopted, the three Governments would be informed of the position and of the Commission's action, as suggested by the Chairman.

The Meeting adjourned at 5 p.m.

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FINAL MINUTES

TRIPARTITE COMMISSION FOR THE  
 RESTITUTION OF MONETARY GOLD.

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107th Meeting

21st May, 1951 - 5.30 P.M.

Present :

H.E. Colonel R.E.L. WINGATE

- Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland - Chairman.

Mr. Homer S. FOX

- Commissioner of the Government of the United States of America

H.E. Monsieur Henry SPITZBLIER

- Commissioner of the Government of the French Republic

Monsieur J. Lanson

- Assistant to the French Commissioner.

Secretariat

Colonel J.A. Watson  
 Mrs F.A. Carpenter.

- Secretary General

1.  substance of views regarding the Chairman's memorandum on the Austrian claim for 12,889,767 3/8 kgs (working paper No. PER/AUS-3, dated 10th May, 1951).

Summed up very briefly, the conclusions of the Chairman's working paper were that gold acquired, pursuant to German orders, by the "Austrian National Bank in Liquidation", after its liquidation had been decreed by Germany and it had been taken over by the Germans, could not be considered as a genuine gold reserve of Austria, even if the gold had, prior to its transfer to the Reichsbank, been entered in the books of the "Austrian National Bank in liquidation". In the Chairman's opinion, the genuine gold reserve of Austria and that in respect of which its claim to restitution under Part III of the Paris Agreement could be upheld was that which was in existence and carried on the books of the Austrian National Bank, when it was still a free agent, on the day the Germans took over the Bank. Gold acquired after that date, which had been collected to all intents and purposes by the Germans, could not be considered as monetary gold "belonging" to Austria looted by the Germans within the meaning of Part III of the Paris Agreement and the claim in respect of gold thus collected, amounting to 12,889,767 3/8 kgs, would have to be rejected. The "National Bank of Austria in liquidation" had merely served as a cloak for the collection of this amount of gold by the Reichsbank. Consistency was essential and any other decision would be inconsistent with other decisions taken by the Commission, particularly in the case of the Polish claims where the basic issues were the same, although the circumstances were somewhat more involved. The decision of rejection taken on the Polish claims seemed to be unquestionable and it appeared unlikely that the final review before the general announcement of the Commission's adjudications would lead the Commission to amend this decision in any way. The decisions on both the Austrian claim under discussion and the Dutch claim, which was about to be discussed, would have to be consistent with that taken in the case of the Polish claims.

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The American Commissioner thanked the Chairman for his valuable analysis and said that he concurred with his (the Chairman's) views, but that there were one or two points which he wished to make. The critical point was whether the gold in question could be considered as falling within the Commission's definition of monetary gold. He agreed with the Chairman's views that it could not. The gold could not, in the circumstances described, be considered as having genuinely formed part of Austria's monetary reserve, that is to say, as monetary gold "belonging" to Austria within the meaning of Part III of the Paris Agreement. In both this case and the next case for discussion (the Dutch claim), the Chairman's conclusions constituted a departure from the previous provisional decisions which he (the American Commissioner) appreciated were subject to review, in accordance with Paragraph 5(d) of the Commission's Terms of Reference, up to the date of the final review which would precede the signature of the entire series of the Commission's adjudications. He (the American Commissioner) had no objection to, however, or hesitation in, following the course recommended by the Chairman and he also agreed with the Chairman's remarks regarding consistency. In this connection, he wished to line up, in order that the necessary adjustments might be made in the interest of consistency, certain statements which had been made. The first was the one which had just been made regarding the Austrian claim and which constituted a return to a stricter interpretation of the Commission's basic texts. The second was the statement made at the hearing of the Polish Representatives, when the latter had submitted arguments in favour of a liberal interpretation of the relevant statutes. The third was the statement made in the two draft formal adjudications on Greek claims which were about to be discussed under Items 3 and 4, where the Secretary General had made use of declarations which had been made by a former Chairman of the Commission to the effect that the Commission's rule was to endeavour to find claims valid rather than to seek ways and means of rejecting them. This phraseology tended to indicate that the Commission was inclined to exercise a somewhat greater discretion than was possible within its Terms of Reference. Another question which required careful consideration was that of the application of the general principle, which was implicit in the Chairman's reasoning on the Austrian and Dutch claims under discussion, that whatever had been done by the German occupant could not be accepted. The Inter-Allied Declaration of 5th January, 1943, used the words "reserve all their rights to declare invalid". The Declaration of the United Nations of 22nd February, 1944, used the words "does not and will not recognize....." The question of the extent to which the Commission could accept as valid or should consider as invalid the actions of the German occupant was one which called for considerable thought.

The Chairman thanked the American Commissioner for his most interesting statement and gave some explanations as to the circumstances in which his (the Chairman's) predecessor had used the phrase quoted by the American Commissioner, to the effect that the Commission's rule was to endeavour to find claims valid..... This phrase had been used in the past when welcoming Representatives of claimant Governments appearing before the Commission. He agreed that a less liberal phrase would have to be used in future and that the passage referred to in the adjudications on the Greek claims would have to be amended. With regard to the definition of monetary gold, he pointed out that this was, in fact, an effort to simplify the presentation of cases and to confine them within a recognisable framework in accord with Part III of the Paris Agreement. It was his view that it did not really affect the issues before the Commission. The word "belonging", in Part III of the Paris Agreement, assumed great importance. There was a time factor to be considered. Now, for instance, could gold be considered to "belong" to a country when it was acquired after that country had virtually ceased to exist and all the machinery of the state had been taken over by the Germans? Monetary gold "belonging" to a country was gold over which it could claim, at the time, that it had free disposal.

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The French Commissioner thanked both his colleagues for their valuable contributions towards the settlement of the various extremely difficult questions which were arising. He concurred with their findings and opinions. The French Commissioner had originally held somewhat similar views to those which had just been expressed but had found it possible to reconcile these views with the more liberal views which had originally been held by the majority of the Commission. He agreed that developments had shown, and that consistency demanded, that a stricter interpretation should be made of the Commission's basic texts. The Commission was unanimous, for instance, and firm in its view that the Polish claims could not be accepted. This decision could be used as a yardstick for the examination of the other claims involving the same basic issues as the Polish claims. The Commission was merely applying the rule laid down in Part III of the Paris Agreement. Only what belongs to one can be said to have been looted. The Germans had used the Central Bank as a cloak in order to give some semblance of legality to their actions but this was mere camouflage and could not be allowed to affect the Commission's policy as outlined in the various statements which had just been made by the Commissioners. The French Commissioner then made some comments on the various items set forth in the Chairman's working paper.

It was decided :

- (i) that the conclusions of the Chairman's working paper should be provisionally adopted;
  - (ii) that the Chairman would draft and have circulated for consideration a detailed formal adjudication rejecting the Austrian claim for 12,989.7678 kgs of fine gold;
  - (iii) that the Secretary General should take note of and act upon those parts of the statements set forth above which affected his work.
2. Exchange of views regarding the Chairman's memorandum on the Netherlands' claim for 145,650 kgs (working paper No. FER/NEH-6, dated 16th May, 1951).

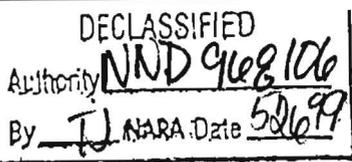
The general conclusions of the Chairman's working paper were similar, in most respects, to those described above in the case of the Austrian claim. Of the 145,650 kgs of fine gold claimed by the Netherlands, he found that 114,654 kgs constituted the genuine monetary reserve of the Netherlands at the time of the German invasion and were restitutable to the Netherlands under Part III of the Paris Agreement and that the balance, namely 30,996 kgs, was collected in circumstances similar to those in which the 12,989.7678 kgs of the Austrian claim had been collected. The cloak was probably thinner in this case than in the Austrian case, since, so far as the Chairman could see, there appeared to have been no foreign exchange regulations in the Netherlands prior to the war and the gold had merely been collected pursuant to a German order. This was a point, however, which would have to be clarified. The Chairman considered that the Netherlands' Government would have to be questioned on this subject and asked to furnish a certain number of documents which would be required before a detailed formal adjudication could be drawn up. Among these, were the German order imposing delivery of gold to the Nederlandsche Bank by the Dutch population, and the Statutes of the Nederlandsche Bank. There were certain discrepancies in the figures quoted in the reply to the Questionnaire and explanations would have to be asked for on this subject.

Both the American Commissioner and the French Commissioner concurred with the conclusions of the Chairman's working paper and they also agreed that further information and documentation would have to be requested from the Netherlands.

The general observations of the three Commissioners had already been made in connection with the Austrian claim discussed under Item 1 and applied equally to this claim.

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It was decided :

- (i) that the conclusions of the Chairman's Working Paper should be provisionally adopted;
- (ii) that the Secretary General should draft and circulate a letter addressed to the Delegate of the Netherlands asking for the information and additional documentation required;
- (iii) that once these had been received and examined, the Chairman would draft and circulate for consideration a detailed formal adjudication on the claims of the Netherlands.

At this stage the Chairman drew attention to what follows :

As the American Commissioner had pointed out earlier in the Meeting, the two decisions which had just been made constituted a departure from what had provisionally been recorded in the past. The Minutes of the Commission's Meetings were purely internal and a record of the Commission's work. The word "decision", which had been used from time to time, for want of a better word, in the past, in the Minutes to describe the various stages reached in the Commission's examination of claims, might cause considerable confusion in the minds of anyone outside the Commission who might see them and who was not familiar with the Commission's method of work and an altogether wrong impression might be conveyed. The position, of course, was that there would be no decision in the strict sense of the word - implying irrevocability - until the Commission had reached an opinion, set forth in the form of a detailed adjudication, on the entire series of claims before it. This was quite clear from paragraph 5 (d) of the Commission's Terms of Reference. What had happened was, as the Commission knew, that a preliminary distribution, not provided for in the Commission's Terms of Reference had had to be made, for reasons with which the Commission was familiar, in the first years of the Commission's life. This had radically altered the Commission's programme of work and had obliged it to compute, at short notice and as a matter of urgency, what could, with safety, be distributed in the way of gold to claimant countries. This computation had been made in the course of a series of Meetings in the Minutes of which the word "decision" had, from time to time, been used, and put on paper in the form of a "Schedule of Claims" in which such terms as "allocations on claims" or "allowed for next distribution" or "possibly valid", etc., had been employed. The Commission had continued to work along these lines up to that date. The position would be quite clear to anyone perusing a complete set of the relevant documentation but would not be so to anyone who was not in this position. The Chairman, therefore, felt that the Commission should, in order to dispel any doubts on the subject, record a Minute to the effect that it was bound by Paragraph 5 (d) of its Terms of Reference and that nothing that was said in the Minutes - which were merely confidential records for the convenience of the Commission, of the day to day work of the Commission, and had no external circulation, with regard to opinions on the validity or otherwise of claims - prejudiced the final and complete series of adjudications under Paragraph 5 (d) of the Commission's Terms of Reference.

Decision :

This suggestion was adopted.

The Chairman then asked his colleagues whether they thought that the Representatives of Austria and the Netherlands should be heard ?

The Commissioners of the United States and of France replied in the affirmative.

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 By **TJ NARA** Date **5/26/99**

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The Chairman expressed the opinion that the formula "the Commission has been unable to find .....", which had been used up to then in letters inviting claimant Governments to appear before the Commission, should no longer be used. He considered that the Commission's tendency should no longer be disclosed in this manner and that the claimant Government should merely be asked to send Representatives before the Commission "to give certain explanations". If it turned out that they could not give all the explanations required at a first hearing, a second hearing would be arranged.

The American and French Commissioners concurred.

It was decided :

that the Austrian and Dutch Representatives should be invited, in due course, to appear before the Commission.

3. Formal Adjudication on the Greek claim for 52,814.7 Kgs. (Working Paper No. PER/GR-2, dated 5th May, 1951).

After an exchange of views, it was decided that a reference in the draft to certain assurances which had been given to the Greek Delegate at the Paris Conference and a quotation from a statement, referred to earlier in the Meeting by the American Commissioner, made at the hearing of the Greek Delegate, should be left out; also that a paragraph on page 16 of the draft required a more formal wording.

Decision :

the Secretary General was directed to amend the draft in the light of the observations which had just been made and to circulate the amended draft in the form of a Working Paper.

4. Formal adjudication on the Greek claim for 7,358 Kgs. (Working Paper No. PER/GR-4, dated 11th May, 1951).

The draft was considered and it was decided that it should, first of all, be amended in the same manner as the draft discussed under Item 3.

The French Commissioner observed that in the conclusions the expression "registered in the name of the State" had been quoted without comment. He felt that it should be pointed out that, according to the documentation, the "registration" was not "in the name of the State", but undoubtedly, in the names of the declarants.

The Chairman and the American Commissioner concurred with this view.

The American Commissioner drew attention to the necessity for two other amendments at pages 5 and 7.

Decision :

the Secretary General was directed to amend the draft in the light of the observations which had just been made and to circulate the amended draft in the form of a Working Paper.

5. Decision regarding the reply to be given to the Albanian Minister's letters of 26th February, 1951 and A.41/4 of 3rd May, 1951 - (Secretariat's INTA-1839 and 1895, dated respectively 2nd March and 11th May, 1951 - also Working Paper No. PER/ALB-5, dated 16th May, 1951).

The position was discussed at some length and views exchanged as to whether the Albanian Minister's letter should be replied to point by point, or whether only the main points should be dealt with, or whether the Commission should send a short reply without entering into any arguments.

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The Commissioners were unanimous in their opinion that copies of the Albanian Minister's letter would have to be sent by the Commissioners, individually, to their respective Governments and that the Commission's reply would have to be shown to the three Governments before despatch.

It was finally decided that the following points would be made in the reply :

1<sup>st</sup>) The Albanian Minister's attention would be drawn to the fact that reference had been made by the Commission to the three Governments who had agreed to submit certain points connected with the claims of Albania and Italy to arbitration.

2<sup>nd</sup>) The matter was, therefore, no longer in the hands of the Commission and the Albanian Minister's letter would be referred to the three Governments.

3<sup>rd</sup>) Albania would have every opportunity of developing its arguments before the Arbitrator.

4<sup>th</sup>) Albania had not been heard by the Commission because the Commission only heard claimant Governments whose claims it was inclined to reject.

5<sup>th</sup>) This was not the case with Albania whose claims, as things stood, had neither been rejected nor accepted.

6<sup>th</sup>) This position had been made clear to Albania in the Commission's letter of 5th December 1950.

It was decided :

1<sup>st</sup>) that the Secretary General should draft a suggested reply on these lines and circulate it in the form of a working paper ;

2<sup>nd</sup>) that the suggested reply, once approved, should be communicated, with the Albanian Minister's letter, by the Commissioners, individually, to their respective Governments with a statement to the effect that the reply would, after a certain lapse of time, to be agreed upon between the Commissioners, be despatched, failing directions to the contrary from the three Governments.

6. Consideration of the Czech claim for 23,087.3040 kgs ( and the question of the recovery of 7,107.44172 kgs ) - (Secretariat's INT-1855, dated 14th March, 1951, refers).

After a lengthy exchange of views, the Commissioners were unanimous in their opinion that, having regard to all the facts of the case, which were examined point by point, and to the necessity for consistency, a provisional decision would have to be recorded to the effect that Czechoslovakia had established that 23,087.3040 kgs belonging to it had been looted by Germany. With regard to the question of consideration there was no proof that Czechoslovakia's position in this respect was, to any appreciable extent, different from that of other countries - among which was Austria, in whose favour the Commission had had no hesitation in adjudicating. The question of consideration could not, therefore, be held to have affected the issue .

The Commissioners, however, were also unanimous in their opinion that the recovery, after the liberation, of certain amounts of gold by the reconstituted National Bank of Czechoslovakia from the Swiss National Bank, would have to be taken into account.

209437

- 7 -

An exchange of views regarding the quantity of gold to be taken into account showed that the Commissioners were of the opinion that, of the amount recovered, 1,398.77576 kgs represented gold extracted during the occupation from Czech soil and constituted an accretion which did not affect the issue.

With regard to the balance, namely 5,708.66596 kgs, the American Commissioner made the following points :

This amount would have to be taken into account when adjudicating on this case. It had undoubtedly accumulated at the Swiss National Bank as the result of direct or indirect German intervention and would have to be set off in some way against the 23,087.3040 kgs lost by Czechoslovakia as a result of German intervention. As the Chairman had pointed out, Czechoslovakia had lost 23,087.3040 kgs and found 5,708.66596 kgs. If the Commission ignored the latter fact, there would result an unjust enrichment in favour of Czechoslovakia. He (the American Commissioner) was of the opinion that the only question which arose was : should the 5,708.66596 kgs be deducted from Czechoslovakia's claim or from Czechoslovakia's share in the pool, in terms of gold ? If it were considered that the amount in question fell within the categories of gold which were eligible for inclusion in the pool, then it would appear that this gold should be credited to the pool and debited to Czechoslovakia's account, in terms of gold. If the contrary were the case, then the amount should be deducted, in terms of claims, from the Czech claim. The Commission was competent to take the latter action, but the question as to whether the gold was eligible for inclusion in the pool was one which the three Governments alone could decide, since the principles involved arose out of the United Nations Declaration and unanimous Resolution No. 2 of the Conference.

The American Commissioner begged leave to make a point in regard to the agreement with Switzerland which might be concluded, at this stage, of the principles.

A further exchange of views took place in the course of which the Commissioners agreed to consult, individually, their Governments as to whether the gold in question could be considered as eligible for inclusion in the pool or not.

It was decided :

1. That the Czech claim should be recorded as provisionally valid for 23,087.3040 kgs;
2. that no action would be taken by the Commission in regard to the recovery, mentioned above, of 1,398.77576 kgs;
3. that the Commissioners, individually, would consult their respective Governments as to whether the 5,708.66596 kgs, also mentioned above, could be considered as eligible for inclusion in the pool or not;
4. that, depending on the answer to 3, the 5,708.66596 kgs in question would either be credited to the pool and debited to Czechoslovakia's account in terms of gold, or deducted from Czechoslovakia's claim in terms of claims.

The Meeting adjourned at 6.00 p.m.

209438

DECLASSIFIED  
Authority NND 968106  
By T J NARA Date 5/16/99

FOREIGN SERVICE OF THE UNITED STATES OF AMERICA

~~SECRET~~  
~~SECURITY INFORMATION~~

PRIORITY: AIR POUCH

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MAR 20

TO: Department of State - MN

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FROM: THE COMMISSIONER, TGC, AMEMBASSY - Brussels 233 - March 15, 1951.

REF: Despatch 224 from Brussels dated February 15, 1951.

SUBJECT: Final Minutes 2nd Part 102nd Meeting; Final Minutes 104th Meeting; Czech claim for 23,087.3040 kgs of Gold.

I enclose herewith a copy of the final Minutes of the 2nd part of the 102nd Meeting of the Commission, held on January 30, 1951. The Department's particular attention is invited to the discussion as recorded in the enclosed Minutes of the Czech claim for 23,087.3040 kgs of gold.

The Commission's thinking in regard to this claim has undergone, as the Department will be aware, several metamorphoses. To a degree the ultimate decision may rest in part on a conclusion as to whether, or the extent to which, the Commission adjudicates inequity. The Commission appears to have been of the growing opinion that it would be extremely difficult to justify a legal or judicial decision which would rest upon a rather vague estimate of what might be termed a certain amount of economic compensation.

At the 104th Meeting, the Minutes of which are enclosed herewith, the Secretary General was directed to draw up and circulate a tentative draft of a formal adjudication (page 3 of the enclosed Minutes). Bearing on this instruction, the Secretary General has circulated to the Commissioners under date of March 14, 1951, INT. 1855, a letter and enclosure entitled "Note on Gold Recoveries in Connection with the Czech claim for 23,087.3040 Kgs".

I should be grateful for any views which the Department might care to express either in regard to the trend of the discussion among the Commissioners as recorded in the enclosed Minutes of the 104th Meeting or in respect to the questions raised by the Secretary General in his letter of March 14.

Homer S. Fox  
United States Commissioner  
Tripartite Commission for the  
Restitution of Monetary Gold.

Enclosures:

- Minutes of 102nd and 104th Meeting of Commission; copy of letter dated March 14, 1951, INT. 1855 with enclosure.

HS:Fox:Sat  
3-15-51

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Authority	NND 968 106
By	TJ MARRA Date 5/16/99

~~SECRET~~

2 - Brussels 233

COPY

TRIPARTITE COMMISSION  
FOR THE RESTITUTION OF MONETARY GOLD

INT. 1855  
CC/CZ

14th March, 1951.

From : The Secretary General  
To : The Commissioner of the  
Government of the United States  
of America

The Commissioner of the Govern-  
ment of the United Kingdom of  
Great Britain and Northern Ireland

The Commissioner of the Government  
of the French Republic.

SECRET

At the 104th Meeting, I was directed to draw up and circulate the draft of a detailed formal adjudication on the Czech claim for 23,087.3040 kgs, in the light of the exchange of views which had just taken place and to prepare a note on the question of gold recoveries.

I have now read through the whole of the Czech files and the documenta-  
tion which is very voluminous.

The note on gold recoveries is enclosed herewith. It would appear, from my examination of the Czech documentation, that certain important questions of principle arise which will affect the wording and argumentation of the adjudication. The Commission may perhaps consider that these should be settled before the drafting of the adjudication is proceeded with.

The main questions arise in connection with the recovery of 7,107.4417 kgs and may be summed up as follows :

- A. What amount can be considered as a recovery? The entire amount of 7,107.4417 kgs or only part of it?
- B. Should A, once its amount has been agreed upon, be deducted from the Czech claim or from Czechoslovakia's share in the pool or, should part of A be deducted from the Czech claim and another part be deducted from Czechoslovakia's share in the pool?

The enclosed note on gold recoveries may enable the Commission to form a more concrete opinion on this subject than it has been able to arrive at up to now and to issue additional directions which may greatly facilitate the drafting of the adjudication.

A subsidiary question, which is of some importance, also arises.

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Authority

NND 968 106

By

J. NARA Date 5/26/99

**SECRET**  
**RESTRICTED**

3-Brussels 233

The Commission has, provisionally, abandoned the idea of effecting a deduction from the Czech claim in respect of possible benefits to the Czech economy in the form of imports purchased with the free Reichsmarks received by the National Bank of Bohemia and Moravia in exchange for part of the gold which was placed at its disposal by the Reichsbank.

It is a point for consideration whether the question of possible benefits to Czech economy and the Commission's reasons for not taking these into account should or should not be brought into the Commission's adjudication.

In this connection, I would mention that, in the course of my examination of all the documentation relating to this case, I have discovered certain documents which appear to reinforce the standpoint adopted by the Commission.

In the first place, there are the unusually frank, straightforward and dignified replies of the Czech Government to the Commission's very numerous questions on the above subject, which create a favorable impression from the outset.

There is no proof that the Czech economy did benefit, apart from the frank, but not categorical, admission of the Czechs themselves that the Czech economy may have benefited.

As against this, in default of precise information regarding the use which was made of Czech imports, there are the significant statements, made by high German officials before and during their trials as war criminals, which tend to indicate that Czechoslovakia was squeezed to the maximum extent possible by the Germans in favour of the German war effort. In this connection, the Czech Minister's letter of 29th March, 1949, (circulated under INT-1151, of 6th April, 1949) and Monsieur Hirigoyen's note of 19th April, 1949 (circulated under INT-1156, of 19th April, 1949) are of particular interest.

If the Commission decides that some reference should be made, in the adjudication, to possible benefits to Czech economy and to the reasons for which these are not taken into account, the question will arise as to whether the quotations, in the Czech Minister's letter relating, in particular, to the Nuremberg Trials, can be taken as authentic or whether steps should be taken to obtain corroboration through the Commission's own sources of information.

The Czech thesis that Czechoslovakia was "squeezed" to the maximum possible extent by the Germans during the German occupation is further reinforced by the conclusions of Monsieur Hirigoyen's note of 10th March, 1950 (circulated under INT-1536, dated 16th March, 1950), comparing the position in regard to the foreign exchange holdings of Czechoslovakia as at September 1938, March 1939 and May 1945. These conclusions are that Czechoslovakia's foreign trade transactions during the German occupation caused the almost complete loss of Czechoslovakia's foreign currency holdings.

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Authority NND 968 106  
By TJ NARA Date 5/16/99**RESTRICTED**

4-Brussels 233

To sum up, it is suggested that, before the drafting of the Commission's detailed formal adjudication is proceeded with, agreement should be reached, in principle, on the attitude to be adopted towards :

- A. the recovery of 7,107.4417 kgs, and
- B. the question as to whether a reference to the possible benefits to the Czech economy should or should not be included in the adjudication.

J.A. WATSON,  
Secretary General.

Enc.

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Authority NND 968106  
By TJ NARA Date 5/26/99

FINAL MINUTES

TRIPARTITE COMMISSION FOR THE  
RESTITUTION OF MONETARY GOLD.

10th Meeting (Second Part)

10th January, 1951 - 3.30 p.m.

Present :

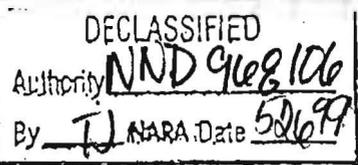
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|---------------------------------|---|
| H.E. Colonel R.H.L. WINGATE     | -Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland - Chairman. |
| Mr. Homer S. FOX                | -Commissioner of the Government of the United States of America   |
| H.E. Monsieur Henry SPITZMULLER | -Commissioner of the Government of the French Republic  |
| Monsieur J. Lanson              | -Assistant to the French Commissioner.  |

Secretariat

- |                     |                    |
|---------------------|--------------------|
| Colonel J.A. Watson | -Secretary General |
| Mrs. F.A. Carpenter |                    |

The Chairman apologised to his colleagues for coming back to Item 4 (gold looted from Austria and Czechoslovakia acquired by Belgium) which had been discussed on 23rd January, 1951, during the first part of this Meeting. He had given the matter further thought and wished to make an additional observation. The Commission, in its letter of 15th March, 1947, sending its Questionnaire on Gold to all the signatories of the Paris Agreement, had stated, inter alia, that the concepts of loss through looting by, or wrongful removal to, Germany which would guide the Commission were those described in the United Nations Declaration against axis acts of dispossession, dated 5th January, 1943, the United Nations Gold Declaration of 22nd February, 1944 and Resolution VI of the United Nations Monetary and Financial Conference of 22nd July, 1944. Having regard to this, to Unanimous Resolution No. 2 of the Paris Conference of 9th November - 21st December, 1945, to Part III of the Agreement which followed this Conference and to the Commission's Terms of Reference, it seemed to him, purely tentatively, that the Commission would probably have no other alternative but to refuse to recognise Belgium's purchase of the looted gold and that this refusal would necessarily lead the Commission to reduce Belgium's claim by an amount equivalent to that of the looted gold. The decision on this point rested with the Commission. The position of the gold in question (which was in the hands of Belgium since the Bank of France had restituted the Belgian deposit in its entirety) in relation to the gold pool was an entirely different matter which only the three Governments could deal with.

The Commissioners of the United States and of France both said they would bear these observations in mind when pursuing their study of the case.



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5. Consideration of the Secretary General's report circulated under cover of  
DR-174 of 18th December, 1950, regarding certain alternative methods which  
might be adopted for dealing with the Czech claim for 25,087,300 kgs of gold.

The Chairman recalled that solution B, set forth briefly in the Secretary General's report, was one which he, himself (the Chairman) had put forward tentatively at the 100th Meeting.

He proceeded to elaborate on the suggestion which he had made, mentioning, first of all, the basic texts, the Commission's letter of 15th March, 1947 and the documents referred to therein (about which he had just spoken in connection with the Belgian acquisition of looted gold), Part III of the Paris Agreement and the Commission's Terms of Reference.

Part III applied to gold which was looted by Germany or, at any time after March 12, 1938, was wrongfully removed to Germany. The date March 12, 1938 would appear to have been inserted for the express purpose of dating German aggression in the case of Austria from the date of the Anschluss, and in the case of Czechoslovakia from Munich and enabling the three Governments (now represented by the Commission) to adjudicate on claims submitted by Austria and Czechoslovakia from the relevant dates, the basic reason for such claims being, of course, that gold removed by the Germans from those dates from Austria and Czechoslovakia was removed illegally.

If this were disputed, the whole basis of the Act of Paris would be undermined. The presumption was, therefore, that anything the Germans did with reference to the acquisition of monetary gold from Austria and Czechoslovakia from the removal dates was, from the point of view of the Commission, illegal unless there was indisputable evidence to the contrary.

Where monetary gold was taken, what the Commission had to do was not so much to find out whether compensation had been given for it as to find out whether there was any reason for considering that it was not looted. In the present case, all were agreed that the gold was handed over to Germany. This was abundantly proved by the documentation.

Where the matter became complicated was when an attempt was made to determine whether an argument could be adduced, based on the reports of the Commission's experts, that there was a benefit to Czech economy arising out of the disposal of the free Reichsmarks which were handed over by the Reichsbank in exchange for 12,768,960 kgs of the above mentioned amount of 25,087,300 kgs of gold subject of the claim.

If there were proof that the Czech economy benefited thereby, then there would be some grounds for reducing the 12,768,960 kgs in an amount equivalent to the benefit, but there was no proof and it was difficult to see how satisfactory arguments could be put down in writing for effecting a reduction on these grounds. The only information was a statement by the Czechs themselves to the effect that Czech economy may have benefited.

The really important question which arose was who dealt with all this gold or its equivalent in free Reichsmarks after the looting. The answer was, the Germans themselves; the Bank of Bohemia and Moravia, which received the free Reichsmarks, was nothing more or less than a German Bank.

Now, the Commission could only draw the conclusion from the Act of Paris, its Terms of Reference and Allied Declarations, that from its (the Commission's) point of view the annexation of Czechoslovakia was illegal; so, therefore, the Commission had to examine what consideration it should give to the acts of the Germans in Czechoslovakia.

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The Commission, in the Chairman's opinion, which he recalled was a purely tentative one, was, therefore, concentrate on what happened at the time of the armistice and after the liberation, and not become involved in considerations relating to the intermediary period unless the Commission should consider that what happened in the intermediary period and had been done by the Germans, from its point of view, was relevant in any way.

Detailed and verifiable evidence was available which proved that the gold was undoubtedly looted and no less reliable evidence was available which showed that some seven tons of gold were recuperated by the reconstituted National Bank of Czechoslovakia, after the liberation. These seven tons undoubtedly became monetary gold of Czechoslovakia as soon as they entered the vaults of the National Bank of Czechoslovakia.

The Chairman was, therefore, of the opinion that the solution to the problem with which the Commission was faced probably lay in a comparison between the position as at the date of the looting from the legal Central Bank of Czechoslovakia and at the date of the return of the seven tons to this same Central Bank of Czechoslovakia after its reconstitution.

The American Commissioner observed that the Chairman's statement opened up a new line of thinking. What he was about to say, purely tentatively, regarding the contents of the Secretary General's note, which he had studied with interest, would not affect the standpoint which he might take up after considering the Chairman's statement. He might well alter his present views on the case. Briefly, his study of the Secretary General's note (which was a summing up and an analysis of three methods of calculation which had been discussed at Meetings of the Commission after it had been decided, tentatively, that a deduction would probably have to be made in respect of benefits to the Czech economy and recuperations from Switzerland, and of a suggestion which had been put forward for dealing with the case from a quite different angle) led him to suggest a different grouping of alternatives as follows:

**Alternative 1.** A rejection of that part of the claim which concerned the 12,760,000 Kgs. on the ground that no verifiable loss had been established.

**Alternative 2.** Acceptance of the claim for 25,087,500 Kgs. as a whole, with possible deduction for recuperation. This alternative seemed to fit in with the Chairman's latest suggestion.

**Alternative 3.** Admission, in the form of a single adjustment, of part of the Czech claims taken as a whole (i.e. grouped into one single claim).

**Alternative 4.** A partial acceptance of the part of the claim which concerned 12,760,000 Kgs. with possible deduction.

He (the United States Commissioner) preferred the third alternative but appreciated that this might prove too formidable a task to be to be undertaken with any chance of success.

His second choice was the first alternative, i.e. to revert to rejection on the grounds already mentioned. He was prepared to give reasons, but did not think that this was necessary at this stage.

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Authority NND 968 106  
By T. NARA Date 5/6/99

- 4 -

He was increasingly concerned at the lack of any firm basis on which a decision in any of the other three alternatives could be reached. It might be that what the Chairman had just said might provide the answer. In the earlier part of this Meeting, the Chairman and the French Commissioner, in reply to a question which he (the American Commissioner) had raised had both expressed the view that the Commission should avoid becoming involved, in its formal adjudications, in arguments of a general nature. He (the American Commissioner) found it difficult to see how this could be avoided if an attempt were made to base a detailed adjudication on one of these three alternatives. An example of what he had in mind was one of the supporting arguments for acceptance which was, in effect, that Germany had applied a very severe régime in Czechoslovakia and that the free Reichsmarks east, therefore, have been mainly spent in the interest of the Germans. In general terms, if this sort of argument were acceptable in the case of Czechoslovakia, it might have to be accepted, also, in other cases and there was no doubt that it was not entirely unassailable.

The French Commissioner said that he was most interested by what the Chairman had said. His suggestion would have to be considered carefully. The matter was an extremely delicate one, since the Commission, pursuant to declarations of a retrospective nature, which could not be foreseen at the time, made by the three Governments might be drawn into holding as null and void a de facto situation which was officially recognized and admitted before the war by the same Governments. In the initial stages, the Commission had been inclined to reject the Czech claim for 12,768,960 kgs. There was no verifiable evidence proving that there had not been consideration. A decision on these lines could hardly be attacked from a juridical point of view. Later, the Commission had envisaged taking a decision in equity. The Czechs had said that there was no consideration but it seemed clear that there must have been, at least partially. It was equally clear that they had not received full consideration. The Commission had, finally, been inclined to accept 40% of the 12,768,960 kgs. He (the French Commissioner) recognized that, although this solution seemed reasonably satisfactory from the point of view of equity, it would be difficult to incorporate it in a formal adjudication. He had been struck by the American Commissioner's suggestion for a new basis for consideration of the case. He was not prepared to express a definite opinion at that stage and suggested that the Secretary General be directed to circulate a note setting forth the alternative solutions on the lines of the American Commissioner's exposé and the arguments in favour and against each of the alternative solutions.

The Chairman and the American Commissioner concurred.

It was decided :

that the Secretary General should take action accordingly and that he should include in his analysis the alternative suggestions put forward by the Chairman at this Meeting.

6. Consideration of a suggested formal draft adjudication prepared by the Secretary General in respect of Greece's claim to restitution of 82,847 kgs of gold.

The Chairman asked his colleagues for their views on this draft formal adjudication which, he recalled, would, in any event, as had already been decided, remain subject to revision until completion of the entire series of the Commission's formal adjudications.

The French Commissioner recalled that the Greek Government had caused considerable trouble and inconvenience to the Commission by innumerable delays in the submission of its claims. He was of the opinion that this should be brought out in suitable terms, at the bottom of page 1, in order to show who was responsible for the delays.

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On page 2, which was the first time that the Bank of Greece and the National Bank of Greece were mentioned, he thought that an explanation should be given regarding the respective rôles and functions of these two Banks.

He was also of the opinion that Article 4 of the Convention, referred to on page 3, should be quoted in extenso in the text of the adjudication.

After a short exchange of views,

It was decided :

that the Secretary General should re-draft the adjudication in the light of what had just been said and circulate it anew.

7. Other points for discussion.

Draft formal adjudication on Greece's claim in respect of gold looted from the "Caisse des Dépôts et Consignations".

The Chairman referred to a second draft formal adjudication on another of the Greek claims which had been circulated by the Secretary General under cover of his INT-1906, dated 29th January, 1951. There was not time to examine the adjudication at this Meeting, but the Secretary General had pointed out that a statement signed by the Manager of the "Caisse des Dépôts et Consignations" appeared to be in contradiction with the laws and regulations which Greece had furnished and he (the Secretary General) had submitted the draft of a letter which he suggested should be sent to the Greek Minister asking him to quote the exact text of law or regulation upon which the Manager of the "Caisse des Dépôts et Consignations" had based his statement. The Chairman thought this was important as the adjudication could hardly be completed until this point had been clarified.

It was decided :

- i. that the Secretary General should despatch the letter, slightly amended in accordance with a suggestion made by the French Commissioner;
- ii. that the draft formal adjudication would be brought up for consideration at a later date.

The Meeting adjourned at 6 p.m.

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Authority NND 968 106  
By TJ MARRA Date 5/6/99**SECRET****NOTE ON GOLD RECOVERIES IN CONNECTION WITH  
THE CZECH CLAIM FOR 23,087,304.0 KGS.**

At the 104th Meeting, I was directed to prepare a note on gold recoveries in connection with the Czech claim for 23,087,304.0 kgs of gold.

The basic document, subject of various analyses by the Commission's experts, is the Czech Minister's letter of 16th February, 1948, relevant portions of which are reproduced hereunder.

**"b) Use of credit balances in the "Warenkonto" clearing account.**

The extracts contained in your letter of 11th December, 1947, in this connection, are correct. The National Bank of Czechoslovakia, the Regional Institute of Bratislava, lists all the sales and purchases carried out during the occupation as between the former National Bank of Slovakia and the Reichsbank as follows :

The Reichsbank placed at the disposal of the former National Bank of Slovakia :

Under letter dated 23 December 1940		724.8751 kgs. Fine Gold		
" " " 27 May 1941		1,151.2638	"	"
" " " 15 June 1941		1,151.0669	"	"
" " " 24 November 1941		1,075.3761	"	"
" telegram " 6 July 1944		1,793.77584	"	"
<b>Total :</b>		<b>5,896.35774</b>	"	"
<b>Sold back to the Reichsbank</b>				
<b>under letter dated :</b>				
14 November 1941	1,003.3721			
19 January 1942	398.1184			
20 " 1942	1,097.0864			
<b>Transferred by the</b>				
<b>Reichsbank to the</b>				
<b>National Bank of</b>				
<b>Switzerland, Berne,</b>				
<b>for the account of</b>				
<b>the former National</b>				
<b>Bank of Slovakia :</b>				
<b>under Reichsbank letters</b>				
<b>dated</b>				
16 June 1941	1,604.0050	5,896.35774	"	"
5 July 1944	1,793.77584			

Balance held by the  
Reichsbank ..... Nil

May I add that the account entitled "Dépôt Gratuit" by the Reichsbank is not shown in the books of the former Bank of Slovakia. For this reason, it is impossible for the National Bank of Czechoslovakia to submit any extracts from this account.

Some of the movements of gold were shown by the former Bank of Slovakia in a collective account entitled "Sale and Purchase of Gold", whereas the other movements of gold were entered in various auxiliary accounts. The object of this method of procedure was to render the control of the movements of gold more difficult for the German Authorities and also to cloak, as far as possible, the real position as to the gold stock.

However, the National Bank of Czechoslovakia states that as between the former National Bank of Czechoslovakia and the Reichsbank there have not been any dealings in gold other than those shown in form II-A-1 of the "Questionnaire" of the Tripartite Commission for the Restitution of Monetary Gold, and supported by the documents which I had the honour to submit to you on a previous occasion.

- e) Transfer to Switzerland by the Reichsbank of an amount of gold equal to that derived from local Mining and consigned to the Reichsbank by the former National Bank of Slovakia, (1,398.77576 kgs of fine gold) .

As regards the gold derived from local mining and handed over to the Reichsbank in exchange for the gold which the latter had deposited with the National Bank of Switzerland on behalf of the former National Bank of Slovakia, you will find the details in form No. II-A-1 of the Questionnaire of the Tripartite Commission for the Restitution of Monetary Gold which refers to this transaction and which I had the honour to submit to you on a former occasion, together with supporting documents.

The account of the former National Bank of Slovakia with the Bank of Switzerland.

According to the entries of the National Bank of Slovakia (the regional Institute of Bratislava), the account of the former National Bank of Slovakia with the National Bank of Switzerland shows the following transactions for the occupation period :

a)	The Reichsbank placed at the disposal of the former Bank of Slovakia, on 30 June 1944, against RM derived from the "Warenkonto" .....	1,604.00857 kgs fine gold
b)	Gold purchased on 30 June 1945 on account of the former National Bank of Slovakia by the National Bank of Switzerland in Berne .....	303.45047 " " "
c)	ditto 4 September 1944 .....	1,006.77709 " " "
d)	ditto 17 June 1944 .....	1,000.65419 " " "
e)	The Reichsbank placed at the disposal of the former National Bank of Slovakia on 26 July 1944 against RM derived from the "Warenkonto" Account .....	1,793.77584 " " "
f)	The Reichsbank placed at the disposal of the former National Bank of Slovakia in exchange for 1,399.78590 kgs of fine gold .....	995.90528 " " "
g)	The Reichsbank placed at the disposal of the former National Bank of Slovakia in exchange for 1,399.78590 kgs of fine gold (with reference to "f") .....	402.87048 " " "

(Compensation for the difference in weight, amounting to 1,04044, was made in Swiss francs by the former National Bank of Slovakia.)

In all, the National Bank of Slovakia had at its disposal with the National Bank of Switzerland in Berne .....

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7,107.44172 kgs of fine gold

The Commission's expert, Monsieur Mirigoyan, in a note dated 4th March, 1948, summed up the position as follows :

"2. In the Delegate's letter of 16 February 1948, the Czechoslovak Government gives the total amounts of gold acquired by the National Bank of Slovakia. These amount in all to :

5,896 kgs 35774.

The Czechoslovak Government confirms that these acquisitions were paid for by debiting the "Warenkonto" account; that is to say, by goods delivered and services rendered by the so-called Slovak State to the German Reich.

3. The gold purchased by the National Bank of Slovakia was entered by the Reichsbank on an account of the Bank of Slovakia entitled "Dépôt Gratuit".

It has not been possible to obtain photographic reproductions of this account, for the Bank of Slovakia, in order to render the control of its gold transactions more difficult, entered them on a general account entitled "Purchase and Sale of Gold" and on various supplementary accounts.

Of the 5,896,35774 kgs purchased by the Bank of Slovakia, 2,498,5769 kgs were sold back by it to the Reichsbank, as is confirmed by the letters from the Reichsbank mentioned in forms II-A-1 of the original reply by the Czechoslovak Government to the Questionnaire on Gold.

All the gold remaining to the credit of the "Dépôt Gratuit", that is, 3,397.78084 kgs, was transferred by the Reichsbank to the account which the National Bank of Slovakia had with the National Bank of Switzerland. The latter, after checking it, entered it on its books for the amount of 3,397 kgs 78421.

4. In his letter of 16 February 1948, the Delegate of Czechoslovakia gives extracts from the books of the National Bank of Switzerland, which credited the account of the National Bank of Slovakia with the following amounts :

1. 3,397.78421 kgs - mentioned above.
2. 2,310.88175 " - purchased direct by the National Bank of Slovakia from the National Bank of Switzerland. *where?*
3. 1,398.77576 " - Transferred by the Reichsbank in exchange for gold of local extraction which had been handed over to it by the National Bank of Slovakia.

*not deductible*  
that is,  
a total of : 7,107.44172 kgs.

No part of this deposit was sold and, in March 1947, the National Bank of Czechoslovakia found the entire amount at its free disposal with the National Bank of Switzerland. "

The amount of 3,397.78421 kgs referred to at 4 (1) of the expert's note (representing the total of items (a) and (c) mentioned in the Czech Minister's letter) is the amount which the Commission, up to now, has been inclined to consider as a recovery by Czechoslovakia deductible from the Czech claim for 23,087,304.0 kgs. (The idea has even been mooted that this amount might, possibly, be deducted from future deliveries to Czechoslovakia and not from the claim). *agree*

The grounds for such action, as originally envisaged, were, very broadly speaking, that German intervention had caused a loss of 23,087.3040 kgs of gold and that German intervention had caused a gain of 3,397.78421 kgs, and that, therefore, only the difference between these two amounts should be allowed. The present tendency, again very broadly speaking, is to say that all that the Germans did during what has been called the "intermediary period", between the transfer of the 23,087.3040 kgs from the Bank of England to the Reichsbank and the date when the 7,107.44172 kgs were recovered by Czechoslovakia from Switzerland, was illegal and that the position before and after the intermediary period, alone, counts, from the point of view of the Commission.

The original reactions of the Commission's expert (which might conceivably be those of a judge of, say, the International Court or of one of its experts) were, however, the following :

"B. Transfer to Switzerland of 3,397.7842 kgs purchased from the Reichsbank by means of the credit balance of the "Warenkonto" clearing account.

1. It is confirmed that since the Liberation, the National Bank of Czechoslovakia has had this gold at its free disposal.
2. This acquisition cannot, however, be in any way considered as a recovery from Germany of the gold lost by Czechoslovakia.
3. It should be considered as compensation for goods supplied or services rendered to the Reich, and consequently, as a payment for commercial transactions. "

It is a fact that none of the texts directly governing the Commission's work can be quoted in support of the deduction in respect of recovery envisaged, but there is a well-established principle of law which condemns unjust enrichment and an adjudication by the Commission in favour of Czechoslovakia for 23,087.3040 kgs of gold in respect of losses suffered by that country as a result of the German occupation when the same occupation enabled it, broadly speaking, to place 7,107.44172 kgs of gold in the vaults of its Central Bank would, it appears, result in unjust enrichment at the expense of the other participants in the pool.

So much for the 3,397.78421 kgs of gold which were transferred by the Reichsbank to the National Bank of Slovakia's account at the Swiss National Bank and which were the balance of the counterpart in gold of goods delivered and services rendered by the so-called Slovak State to the Reich.

It might, perhaps, be fair comment to say that, as a result of transactions between Germany proper and the so-called Slovak State which, to all intents and purposes, was an emanation of the Reich set up by Germany in the place of the original legal entity, namely Czechoslovakia, 3,397.78421 kgs of gold found their way to Switzerland.

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Two other amounts, which can and have been classified under broad headings by the Commission's expert, go to make up (with the 3,397.78421 kgs already dealt with) the amount of 7,107.4417 kgs subject of the present note, namely 2,310.88175 kgs (representing the total of items (b), (c) and (d) mentioned in the Czech Minister's letter) described as having been "purchased direct by the National Bank of Slovakia from the Swiss National Bank" and 1,398.77576 kgs (representing the total of items (f) and (g) mentioned in the Czech Minister's letter) described as having been "transferred by the Reichsbank in exchange for gold of local extraction which had been handed over to the Reichsbank by the National Bank of Slovakia".

With regard to the 2,310.8817 kgs referred to above, the position is described by the Commission's expert, Monsieur Hirigoyen, as follows :

"a) Acquisition of 2,310.88175 kgs.

The statements made by the Delegate of Czechoslovakia explain that these amounts of gold were purchased from the National Bank of Switzerland by the Bank of Slovakia which used part of its "Giro-konto" credit account in Swiss francs in payment.

These statements also show that the Swiss francs credited to the account held by the National Bank of Switzerland originated from :

- direct payments into this account in settlement of Slovak exports to Switzerland of certain specialised goods.

- transfer, on 5th April, 1941, of Swiss francs 3,001,766.85 formerly credited to the Bank of Slovakia in another account - "Verfügungskonto" - which carried all credits for Slovak exports of current goods to Switzerland.

- transfer, made by the Reichsbank, on 4th September, 1941, of Swiss francs 1,500,000 as compensation for a transfer in its favour of RM entered in the Bank of Slovakia's "Warenkonto" account.

If one is to accept the statements made by the Delegate of Czechoslovakia, which are not supported by any accounting documents, it would appear that, except for funds transferred by the Reichsbank, all Swiss francs which might have been used for making these acquisitions of gold originated from payments made in respect of Slovak exports of goods to Switzerland.

Now, there is nothing in the documents supplied by the Czechoslovak Government to suggest that the Germans placed any restrictions whatever on exports from Slovakia, which they had formed into an independent State, to neutral countries. In these circumstances, it would be difficult for the Commission to include these exports in the total foreign exchange transactions controlled by Germany and to deduct the acquisitions of gold resulting therefrom from the sum total of gold sold by the Bank of Bohemia and Moravia in order to finance the controlled imports of the Protectorate.

The position is rather different with regard to that part of the gold, purchased with the Swiss francs made available to the Bank of Slovakia by the Reichsbank. Although, even in this case, there is no direct link between this purchase by the Bank of Slovakia and the sales of gold, made by the Bank of Bohemia and Moravia, the Commission might perhaps adopt the following attitude :

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- that certain purchases of gold were made with Swiss francs supplied by the Reichsbank in compensation for RMa originating from the payments of Slovak exports to Germany.

- that sales of gold were made against payment in free RMa which were themselves used for settling imports of goods by the Protectorate of Bohemia and Moravia under the control of Germany.

- that the two operations involved settlement in RMa and fall within the framework of the foreign trade conducted with Germany on the one hand and controlled by Germany on the other hand. They should, therefore, be considered as being connected and the loss incurred in selling should be deducted from the profit obtained on purchase.

If the Commission adopted this point of view, it would have to deduct from the Czechoslovak claim the equivalent in gold of Swiss francs 1,500,000, i.e. on the basis of the rates of exchange used by the Reichsbank in 1941 (Swiss francs 100 = RM. 57.95 and 1 kgf = RM. 2,784), 542,2306 kgf.

It will be observed that the expert concludes that, of the above-mentioned amount of 2,310.8817 kgs, 542.2306 kgs might, perhaps, be deducted on similar grounds to those which have been put forward in support of the proposal that 3,397.78421 kgs should be considered as a recovery and, therefore, deducted from the Czech claim.

One of the expert's statements, namely that Slovakia was an independent State and that there is nothing to show that the Germans placed any restrictions whatever on exports from Slovakia seems open to some criticism.

It is a point for consideration whether it would not be nearer to the truth to say that, if it is a fact that the Germans placed no restrictions on Slovak exports, the explanation is that they themselves had set up and controlled the so-called Slovak State and that they would be hardly likely to place restrictions upon their own trade or upon a useful and camouflaged channel for conducting trade for their own purposes with abroad.

If this view is accepted, it is a point for consideration whether, if the Commission's rules that the first of the three portions of the 7,407.4417 kgs, that is to say the 3,397.78421 kgs referred to above, must be deducted from the Czech claim on the grounds already mentioned, the second portion, that is to say the 2,310.8817 kgs under discussion, should not also be deducted on the grounds that Slovakia was nothing more or less than an emanation of Germany and that, since Czechoslovakia recuperated what was, to all intents and purposes, German gold amounting to 2,310.8817 kgs, after the war, this must be lined up with and balanced against the 23,087.3040 kgs originally lost by Czechoslovakia?

It is a further point for consideration whether, having regard to the reference to "swimmingly camouflaged financial penetration" in the Inter-allied Declaration of January 5, 1943 and to the warning contained therein that the Government making this declaration "reserve all their rights to declare invalid any transfers of, or dealings with, property, rights, interests, of any description whatsoever, which are or have been, situated in the territories which have come under the occupation or control, direct or indirect, of the Governments with which they are at war, or which belong or have belonged to persons (including judicial persons) resident in such territories", the above-mentioned amount of 2,310.8817 kgs, as well as the 3,397.78421 kgs, both of which amounts have been received, in toto, by Czechoslovakia, should not be treated as a recovery deductible from eventual deliveries to Czechoslovakia rather than from Czechoslovakia's claims.

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There is nothing in the Commission's documentation, apart from the statement that the National Bank of Slovakia took over the assets and property of the branches (which would be hardly likely to hold any assets of real value) in Slovakia of the National Bank of Czechoslovakia, which would tend to indicate that the National Bank of Slovakia started life with any assets of its own and it would appear that the Reichsbank and Slovak trade, "controlled by Germany, were at the origin of any gold credits figuring in Switzerland in the name of the National Bank of Slovakia.

So much for the second portion of the 7,107.4417 kgs recovered by Czechoslovakia from Switzerland.

A small item, which is tied up with, but does not form part of the 7,107.4417 kgs, finds its place here.

The Commission, in a letter, dated 11th February, 1949, addressed to the Czech Minister, referred to 200.568198 kgs "representing the difference between the above figure (the "above figure" was 2,310.88175 kgs, namely the second portion of the 7,107.4417 kgs) and the total of the amount acquired in Switzerland by the Bank of Slovakia. This figure is obtained from form II-A-2 of the questionnaire on Gold and relates to the following acquisitions made in an "unspecified place by means of unspecified funds". The letter then goes on to ask a number of questions.

The Minister replied and the Commission's expert summed up the position, in regard to these 200.568198 kgs, as follows :

"a) Acquisition of 200,568198 kgs.

The explanations and documents provided by the Czech Delegate show that it is a question of payments carried out in the account of the Bank of Slovakia with the Bank for International Settlements in favour of the Postal Services of the Slovak Ministry of Communications. These payments were made on the order and for the account of German organisations:

Hungarian	"	13.050028
Swedish	"	1.72814
Danish	"	0.02021

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200.568198

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All the above represent payment for services rendered within the framework of postal relations.

It is a question, then, of payments identical to those carried out by Hungary in favour of Italy (43.7908 kgs), in respect of which no deduction was made in the Italian claim.

It would not seem that, in the procedure contemplated by it, the Commission could consider these payments for services to independent Slovakia as bound up with the currency operations in respect of Czech foreign trade controlled by Germany, and could make a deduction on these grounds from the amount of gold sold to the Reichsbank by the Bank of Bohemia and Moravia against free RM. "

It is a point for consideration whether some action should not be taken in regard to the above-mentioned amount ?

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With regard to the third portion of the 7,107.4417 kgs, namely the 1,398,77576 kgs, the position and possibilities are admirably described in a note, dated 24th January, 1949, by Mr. Daspit, who was then United States Commissioner, as follows :

"18. In addition to the amounts of gold mentioned in paragraph 8 (b) and (c), Czechoslovakia also took over at the Swiss National Bank an amount of 1,398 kilograms which the records indicate had been transferred there to the account of the National Bank of Slovakia by the Reichsbank in exchange for gold of local extraction, which it had taken over from the National Bank of Slovakia. It might be possible by a somewhat sophisticated argument to arrive at the conclusion that this quantity of gold should also be deducted from the Czech claim. The argument would be that if the gold was not a part of Czechoslovakia's monetary reserve duly carried on the books of a monetary institution of the State, its transfer to the Reichsbank would not be a loss within the meaning of the Paris Agreement, whereas the receipt of the equivalent amount of gold in the Swiss National Bank might be considered a net gain. I do not think the Commission would be justified in pushing such an argument; nevertheless, it seems to me that it is possible that the situation with respect to this gold might be sufficiently similar to that of the Yugoslav Bor Mine claim to require that the two be considered together. I suggest that it would be desirable for the Commission to complete its files with respect to this gold if full information is not already available as to its form, ownership, and whether it was entered in the books of the Slovakian National Bank as part of its monetary reserve at the time of its transfer. "

Copies of the pre-war Czech laws governing dealings in precious metals, including gold, are in the hands of this Secretariat.

Very briefly, dealings in gold were controlled; registers had to be kept and periodically communicated to the National Bank; the Bank could call for surrender, at five days' notice, of all stocks of unworked gold and, in particular, it "reserved to itself the right to purchase all gold mined and manufactured in the country". The laws and regulations say the National Bank "may" do this and "may" do that and there is no indication as to the extent to which the Bank made use of its privileges. The general impression is that dealings in gold and the working of gold were concentrated in the hands of a small number of "authorized" persons or firms, under strict control.

It would, perhaps, be fair to say that gold was strictly controlled and that the National Bank could probably have placed its hands on considerable quantities of gold in an emergency at very short notice. These quantities would have been incorporated in Czechoslovakia's monetary reserves.

Mr. Daspit, in his note, raises a question as to whether the 1,398,77576 kgs of gold in question were carried in the books of the National Bank of Slovakia as part of its monetary reserve.

The answer is that this amount was certainly carried in the books of the Bank and that, since gold assets in the case of most if not all Central Banks serve as cover for the note issue, these 1,398,77576 kgs formed part of the Bank's monetary reserve in the sense which Mr. Daspit had in mind.

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It is a point for consideration whether Czechoslovakia, had it not recovered these 1,398.77576 kgs of gold, would not have had some grounds for submitting a claim to the Commission, these grounds being that German interference in Slovakia had resulted in the disappearance of gold mined in the country which, had it not been for the interference in question, would have found its way into Czechoslovakia's gold reserves since the National Bank of Czechoslovakia, under the laws in force, reserved to itself the right to purchase such gold?

It is a further point for consideration whether this gold should not be treated as gold looted by Germany, over and above the 23,087.3040 kgs, and afterwards recovered by Czechoslovakia, in which case:

*Amble  
 position*  
 (a) This particular transaction might, either be ignored by the Commission on the grounds that the account is balanced and that the position does not affect the Commission's findings in any way, or

(b) the gold might be included as an additional claim, over and above the 23,087.3040 kgs, in the Commission's adjudication and counted as a delivery on account in so far as the gold pool is concerned. (Note - There has, however, been no claim by Czechoslovakia in respect of this gold).

It is a further point for consideration whether, in default of the adoption of either solution (a) or solution (b), the gold should not be dealt in the same manner as shall be decided by the Commission in regard to the other two portions of the 7,107.4417 kgs.

There would appear to be an important difference, however, between this portion and the other two portions of the 7,107.4417 kgs.

In the case of the first two portions, German interference, direct or indirect, caused the loss of 23,087.3040 kgs of gold and was at the origin of a gain of 5,708.66591 kgs, connected directly or indirectly with these 23,087.3040 kgs.

In the case of the last portion, there was an accretion of 1,398.77576 kgs, originating from the mineral resources of Czechoslovakia and not connected in any way with the loss of the 23,087.3040 kgs. It would, perhaps, not be unfair to say that this is a case altogether apart from, and independent of, the other two questions, and that it might well have been dealt with separately.

So much for the third portion of the 7,107.4417 kgs, namely 1,398.77576 kgs.

In conclusion, I should like to state that, except in certain cases, I have not attempted to check the purely technical considerations involved in this case and that, in so far as the technical aspect of the case is concerned, I have taken the expert's statements and figures as correct.

*J.A. Watson*

J.A. WATSON,  
 Secretary General.

14th March, 1951.

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TRIPARTITE COMMISSION FOR THE  
RESTITUTION OF MONETARY GOLD.

104th Meeting.

19th February, 1951 - 1.30 P.M.

Present :

- |                                 |  |
|---------------------------------|--|
| H.E. Colonel R.E.L. WINSAYE     | - Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland - Chairman. |
| Mr. Homer S. FOX                | - Commissioner of the Government of the United States of America.  |
| H.E. Monsieur Henry SPITZMULLER | - Commissioner of the Government of the French Republic.   |
| Monsieur J. Lanson              | - Assistant to the French Commissioner.  |

Secretariat

- |                     |                     |
|---------------------|---------------------|
| Colonel J.A. Watson | - Secretary General |
| Mrs F.A. Carpenter. |                     |

1. Consideration of the Secretary General's note, INT-1817, dated 12th February, 1951, setting forth, as directed at the 102nd Meeting of the Commission, the five alternatives envisaged for dealing with the Czech claim for 23,087,3040 kg., and the arguments for and against.

The Chairman expressed satisfaction with the Secretary General's note.

The two main points in the case were, in the Chairman's opinion :

- (i) the factual position and what could be deduced from the facts, and
- (ii) how did events subsequent to the transfer of the 23,087,3040 kg. to the Reichsbank affect the totality of the claim?

With regard to point (i) the facts were as follows :

On 15th March, 1939, the Germans occupied Prague. Immediately afterwards, the National Bank of Czechoslovakia, under pressure from the Germans, caused the 23,087,3040 kg., which were held by the Bank of England, on behalf of the Bank for International Settlements, for the account of the National Bank of Czechoslovakia to be transferred to the account of the Reichsbank at the Bank of England.

On 24th March, 1939, the Bank for International Settlements advised the National Bank of Czechoslovakia that the transfer had been effected.

On 31st March, 1939, a "governmental decree" abolished the competence of the National Bank of Czechoslovakia in all territories outside the Protectorate of Bohemia and Moravia, substituted the designation "National Bank of Bohemia and Moravia" for that of the National Bank of Czechoslovakia and limited the competence of the National Bank of Bohemia and Moravia to the territory of the Protectorate of Bohemia and Moravia.

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It was interesting to compare the events described above with events in Austria at the time of the Anschluss. In the case of Austria, Kappeler, German Secretary of State, had, on 15th March, 1938, immediately after the occupation of Vienna, ordered that no transfer of the assets of the National Bank of Austria should be effected without German authorization. The next day, German officials went to the Bank and proceeded to take over the Bank on behalf of the Reichsbank. On 17th March, 1938, a decree laid down that "the administration of the National Bank of Austria will be transferred to the Reichsbank ..... the National Bank of Austria will be liquidated ..... liquidation will be carried out by the Reichsbank on behalf of the Reich". On 25th March, 1938, some 55,000 kilograms of fine gold constituting the gold reserves of Austria were transferred to the Reichsbank. On 1st April, 1938, the Reichsbank confirmed the transfer and stated that it had credited an account designated "liquidation of the National Bank of Austria" with some 155 million Reichsmarks representing the counterpart in Reichsmarks of the gold.

Austria had submitted a claim to the Commission under Part III of the Paris Agreement in respect of the above mentioned amount of gold and the Commission had adjudicated in her favour. This had been followed by a substantial delivery of gold on account to the claimant.

The Chairman, returning to Czechoslovakia's claim, said that, up to this point, all that could, in his opinion, be deduced from the facts was that 23,087,3040 kgs of fine gold, belonging to the National Bank of Czechoslovakia, had been illegally removed to the Reichsbank on German orders. He asked if his colleagues were in agreement and received an affirmative reply.

The Chairman then passed to his second point, namely, how did events subsequent to the transfer of the 23,087,3040 kgs to the Reichsbank affect the totality of the claim?

As had already been stated, the Germans, on 51st March, 1939, had installed the National Bank of Bohemia and Moravia in the place of the National Bank of Czechoslovakia in the Protectorate, abolishing, at the same time, the competence of the National Bank of Czechoslovakia outside the Protectorate.

Months later, on 12th June, 1939, the Reichsbank had credited the account of the National Bank of Bohemia and Moravia, which the Germans themselves had set up in the Protectorate, with 23,087,3040 kgs of gold. This was not the identical Czech gold which the Reichsbank had received on 24th March, 1939, from the Bank for International Settlements, but an equivalent amount made up from other gold held by the Reichsbank.

Of these 23,087,3040 kgs, 10,318,3439 kgs still appeared, at the end of the war, among the deposits held by the Reichsbank in circumstances which had led the Commission to decide that the Czech claim for 23,087,3040 kgs was indisputably valid up to 10,318,3439 kgs.

There had been much discussion within the Commission in the past regarding the balance, namely 12,768,9601 kgs. These had been "sold" by the German controlled Bank of Bohemia and Moravia to the Reichsbank against free Reichsmarks. The Commission, in the opinion of the Chairman, had been led astray, to a certain extent, by the purely technical arguments which had been put forward centering on the question of consideration and had somewhat lost sight of the broader legal issues. It was interesting to note that, in the case of the Austrian claim, the question of consideration had not been raised; yet it seemed impossible to believe that Austrian economy had not benefited, to some extent at least, from the credit of some 155 million Reichsmarks which had been opened by the Reichsbank in exchange for her gold and by other operations of the Reichsbank, which was the dispenser of free Reichsmarks, and controlled Austrian economy.

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The American Commissioner said that it was extremely difficult, in his opinion, to deal with the question of computation of consideration in respect of the 12,763.9601 kgs in any way that would not be attacked. The choice seemed to lie between rejection of all but 10,318.3439 kgs of the claim, or acceptance of the claim in its entirety with deductions for recoveries in the form of gold, but not for recoveries in the form of possible accretions to the Czech economy. He suggested that the Secretary General be directed to draw up a draft detailed adjudication based on alternative 5, which was the alternative which had been suggested by the Chairman at the 102nd Meeting.

The Chairman concurred, stating that the draft would, of course, be purely tentative and that all opinions would, for the present, be reserved.

The French Commissioner stated that he, too, was inclined to share this point of view. The similarity between events in Czechoslovakia and in Austria had not escaped his notice. It was only in the case of Czechoslovakia, having regard to special circumstances, that the Commission had been drawn into examining the value of the eventual counterpart which may have been received from Germany by the victim of the looting in respect of the gold of which it had been deprived. In fact, the transfer of the 23,087.3040 kgs of gold had been followed by the entry, in a corresponding account in Berlin, of a credit in favour of Czechoslovakia. In 1945, this account showed a balance equivalent to 10,318.3439 kgs of gold. The Commission had, logically, been able to conclude that the difference represented the value of the counterparts received from Germany by Czechoslovakia. That country having been unable to furnish any information on these counterparts, the Commission had, in the absence of any proof, originally envisaged adopting one of two solutions; one, strictly legal, consisting in a rejection of this part of the claim on the grounds that detailed and verifiable evidence establishing the reality of the looting was missing, and the other, a solution in equity - admitting this part of the claim but only to an extent corresponding to an approximate estimation of the counterparts - impossible to calculate accurately, but incontrovertibly received by Czechoslovakia in the form of imports financed with the gold in question. The Commission had somewhat lost sight of the difficulties inherent in the latter solution. Both solutions appeared too dangerous when it came to putting them into practice and it was difficult to see how they could be incorporated into a detailed formal adjudication which would not be subject to attack. His own studies and what had been said at this Meeting led him to support the American Commissioner's suggestion and to suggest, in addition, that, since the question of the deduction for recoveries of gold would now become an important one, the Secretary General should be directed to submit a note on this subject at the same time as the draft adjudication.

Decision :

The Secretary General was directed to draw up and circulate the draft of a detailed formal adjudication in the light of the exchange of views which had just taken place and to prepare a note on the question of gold recoveries.

2. Exchanges of views on the tentative draft formal adjudications on the two following Greek claims.

(102nd Meeting-Second Part- Item 6)

(a) Claim for 82,814.7 kgs taken from the vaults of the Bank of Greece.

The Chairman drew the attention of his colleagues to the fact that no decision was called for at the present stage since it had been found necessary to request further information from the Greek Minister, both in this case and in the case which followed, and the formal adjudications could not be considered with a view to arriving at a final decision until the Greek Minister's reply had been received.

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This was merely an exchange of views on the drafting and presentation for the benefit of the Secretary General and for his (the Chairman's) own benefit, since the Secretary General drafted the adjudications in consultation with him in accordance with a decision taken by the Commission in the past.

The French Commissioner suggested that the date 24th March, 1948, which was that on which the last set of documents had been furnished, at the top of page 2 of the draft, should be amended since it had now been found that further information was required.

He also suggested that the distinction between the two Banks, the "National Bank of Greece" and the "Bank of Greece", first referred to at the top of page 3, should be made still clearer.

Lastly, he was of the opinion that the term "foreign exchange", given in the middle of page 4, should be elaborated and an explanation given as to what exactly the term implied.

The Chairman and the Commissioner of the United States concurred.

The American Commissioner referred to the necessity for being as brief as possible.

The Chairman observed that, in his opinion, it would be preferable for the Secretary General to "put everything in". It would be for the Commission to decide what could safely be left out.

The French Commissioner drew attention to the fact that two pages, at least, one of which contained the preamble, were identical in each adjudication. This was necessary, for the sake of clarity, when the adjudications were submitted separately, but when they were all completed, it would probably be found possible to bind them in one volume and incorporate some of the text which, at present, figured in each adjudication, into a single preamble at the beginning of the volume.

The Chairman expressed satisfaction with the Secretary General's note.

The Secretary General was directed to take note of the views expressed by the Commission, and what could be deduced from the facts,

(b) Claim for 2,919,731 kgf. taken from the Caisse des Dépôts et Consignations.

None of the Commissioners had any comments to make, at this stage, on the draft adjudication.

On 15th March, 1939, the Germans occupied Prague. Immediately afterwards, the National Bank of Czechoslovakia, under pressure from the Germans, caused the 2,027,3040 kgf. which were held by the Bank of England, on behalf of the Bank for International Settlements, for the account of the National Bank of Czechoslovakia, to be transferred to the account of the Reichsbank at the Bank of England.

On 24th March, 1939, the Bank for International Settlements advised the National Bank of Czechoslovakia that the transfer had been effected.

On 31st March, 1939, a "governmental decree" abolished the competence of the National Bank of Czechoslovakia in all territories outside the Protectorate of Bohemia and Moravia, substituted the designation "National Bank of Bohemia and Moravia" for that of the National Bank of Czechoslovakia and limited the competence of the National Bank of Bohemia and Moravia to the territory of the Protectorate of Bohemia and Moravia.

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 Authority NND 968106  
 By TJ NARA Date 5/6/99

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 C/REG/254.

18 November 1958.

CONFIDENTIAL

From : The Secretary General

To : The Commissioner of the Government of the United States of America

The Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland

The Commissioner of the Government of the French Republic.

Copy to : Sir Ronald Wingate.

I would refer to my INT-5425, dated 29 October 1958, circulating a letter in which the French Commissioner suggested that, if his colleagues had no objection, an addition be made to a statement attributed to himself, in the draft minutes of the 15th meeting.

In the last paragraph of my above quoted covering note, I ventured to suggest that the statement in question might, perhaps, be better placed, provided the French Commissioner had no objection, in personal communication from the British and American Commissioners to their respective Governments, drawing the attention of the latter to the French Commissioner's fears, rather than in the official minutes of the meeting.

I understand that both the British and American Commissioners have sent copies of the French Commissioner's letter to their respective Governments, who are, therefore, aware of the French Commissioner's fears.

I also understand that, in view of this, the French Commissioner has no objection to his statement being left out of the minutes.

The minutes, as drafted, can, therefore, be considered as final, subject to two very slight amendments, which do not affect their substance, requested by the American Commissioner and Sir Ronald Wingate, respectively.

Copies of the final minutes are, accordingly, enclosed herewith.

(sgd) J. A. WATSON.

J.A. WATSON,  
 Secretary General.

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Authority NND 968 106  
By T. NARA Date 5/6/99

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FINAL MINUTES

TRIPARTITE COMMISSION FOR THE  
RESOLUTION OF MILITARY DISSENT

15th Meeting

15 October 1958, at 1.15 p.m.

Present :

H.B. Sir Ronald WINGATE

- Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland, Chairman.

J.R. GUTTON, Esq.

- Alternate Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland.

C.C. CLIMBERS, Esq.

- Alternate Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland.

Richard B. FRANKS, Esquire

- Commissioner of the Government of the United States of America.

Monsieur Jacques LEBLANC

- Commissioner of the Government of the French Republic.

Secretariat

Colonel J.A. WATSON

- Secretary General.

1. Statement by the Chairman.

Sir Ronald Wingate (British Commissioner and Chairman of the Commission) informed his colleagues that, for personal reasons, he had sought permission from his Government to resign and that his resignation had been accepted with effect from 31 October 1958. He understood that a formal notification to this effect would be addressed to the Secretary General, in due course. Sir Ronald Wingate, who had been a member of the Commission since 15 April 1947 and Chairman since 1 June 1950, said that he felt and hoped that a stage had now been reached where his departure would not cause too much inconvenience. He reviewed briefly the major events of the last ten and a half years and concluded by saying that he had much appreciated and would always remember the support he had received from his colleagues, the Secretary General and the staff, and the friendly relations which had always existed within the Commission and between his colleagues and himself. He was very sorry to be leaving the Commission.

The French Commissioner, who was the oldest member of the Commission after Sir Ronald Wingate, gave a brief account of all that the latter had done on behalf of the Commission and he described the invaluable services he had rendered, particularly in connection with the drafting of the Commission's adjudications. He (the French Commissioner) said that he was very sorry that the Commission should be losing Sir Ronald Wingate's services in his dual capacity as British Commissioner and Chairman, and he expressed his best wishes to Sir Ronald, on his departure.

The American Commissioner said that he wished to be associated with his French colleagues' remarks and that there was one thing which he desired to add, for the record, and that was that he was speaking for his Government as well as for himself in expressing thanks for all that Sir Ronald had done, which was widely respected and appreciated.

Sir Ronald Wingate expressed his warmest thanks to his colleagues for all that they had said and he asked the American Commissioner to thank his Government for their kind message which he had much appreciated. Sir Ronald remained in the Chair for the rest of the meeting.

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 By TJ NARA Date 5/26/99

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2. Review of questions in suspense.

(a) The Delegate of the Netherlands' memorandum of 24 June 1953.

The Chairman said that the Netherlands had now sent a formal Note to his Government regarding the questions raised in the above-mentioned memorandum. He thought that a similar Note must have been addressed to his two colleagues' Governments. He understood that his own Government would be prepared to agree either to the despatch of a reply in writing or to an informal conversation between the Delegate of the Netherlands and the Commission and that it had a slight preference for the latter solution. His Government would like to have the Commission's views on this subject. He (the Chairman) thought that the Commission might see the Delegate and suggest to the three Governments that, in answer to the formal Note from the Netherlands, they might, perhaps, state that they understood that the Commission was arranging an informal meeting and that, in view of this, they were not replying to the Note in detail.

The French Commissioner concurred. He recalled that it had always been his view that the Commission should afford at least an informal hearing to the Delegate. He thought, however, that the Commission should prepare its answers to the Delegate's questions in advance so as not to give the latter an opportunity of misquoting the Commission.

The American Commissioner said that his Government had no objection to the Delegate being heard, informally, by the Commission, but that he (the American Commissioner) had some doubts and would prefer a written reply.

The Chairman then suggested that, since the three Governments had now been seized officially by the Netherlands, it would, perhaps, be more appropriate for the Commission to furnish to the three Governments the elements of a reply and for the Commission, itself, to inform the Delegate that it had been on the point of acceding to his request for an informal conversation but that, since his Government had now referred the matter officially to the three Governments, the Commission could not now enter into conversation with the Delegate, but had made known its views to the three Governments.

This was agreed, subject to the approval of the three Governments, to whom the suggested letter from the Commission to the Delegate would, also, be submitted.

The Commission then proceeded to examine the French Commissioner's "réponses aux questions posées par le mémorandum néerlandais du 24 juin 1953", dated 25 July 1953. The French Commissioner's suggested replies were amended pursuant to suggestions made at the meeting by all the Commissioners (particularly the American Commissioner) and the Secretary General.

Decision :

It was decided that the Secretary General would circulate the suggested replies, as amended, together with the draft of a suggested letter from the Commission to the Delegate and that the Commissioners, individually, would send these, with the Commission's views, to their respective Governments.

(b) The Czech letter and memorandum of 15 August 1953.

The Chairman said that he understood that a joint Franco-British draft of a suggested reply to the Czech memorandum had been sent to Washington. He asked his American colleague if he had any information on this subject.

The American Commissioner said that his Government had objected to the despatch of a reply on the lines suggested since it went far beyond what had been tripartitely agreed and issued as instruction 14 to the three Commissioners. A reply on these lines would prejudice his Government's position. He (the American Commissioner) gave some further explanations and, in reply to a question from the Chairman, stated that his Government felt that no reply, beyond a formal acknowledgment of receipt, should be sent, at this stage.

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Decision :

The Commission felt that it could offer no advice on this subject to the three Governments constituting it and it authorized the Secretary General to despatch the formal acknowledgment of receipt which he had circulated, in draft form, to the Commission, on 18 August 1958.

(c) The Delegate of Albania's letter of 30 August 1958.

None of the Commissioners had any information or instructions on this subject.

Decision :

The Commission, therefore, was not in a position to give any advice but it authorized the Secretary General to despatch the formal acknowledgment of receipt which he had circulated, in draft form, on 3 September 1958, slightly amended in accordance with a suggestion of the French Commissioner.

3. Examination of the procedure at present in force in the Secretariat, with a view to simplification, if possible.

The Secretary General gave some explanations regarding the procedure, for dealing with current affairs, which had been in force in the Secretariat. He had been in the habit of analyzing and commenting freely, in accordance with established practice, whenever he thought this necessary, at a time when he knew that his notes and comments did not go beyond the Secretariats of the Commissioners and were used by the latter for their own purposes. He was now aware that much of the documentation which reached the Secretariat, at this stage, emanated from the three Governments. He sought the Commissioners' guidance as to whether it would be proper, in the circumstances, for him to continue to comment, as in the past.

Decision :

The Commission replied in the affirmative.

The Secretary General then sought guidance as to what he could do, on his own initiative, in the somewhat delicate circumstances which were arising and as to what the Commissioners would prefer to have referred to them. He had in mind such matters as the despatch of acknowledgments of receipt, for instance.

The British and French Commissioners said that they were prepared to leave it to the Secretary General to decide, in such matters, whether he could act without reference to the Commission or whether, on the contrary, he should consult the Commission.

The American Commissioner said that circumstances might arise where even an acknowledgment of receipt might necessitate a consultation of his Government and he asked that the question should be left open.

The Secretary General said that he would, therefore, continue, until further notice, to circulate drafts of acknowledgments and similar papers, for approval, in accordance with present practice.

4. Exchange of views regarding the Commission's Report at present under preparation.

The Chairman referred to the Commission's Report, which the Secretary General was preparing, in draft form, and circulating, section by section. This Report was strictly confidential and intended for the three Governments exclusively. A question had arisen as to whether it could be prepared in such a way that portions of it would be available for publication by the three Governments, who were examining the question of publication, generally, and their obligations

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 By TJ NARA Date 5/16/99

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in this respect. He (the Chairman) had discussed the matter with the Secretary General and both he and the Secretary General were of the opinion that this would not be practicable and might lead to confusion and waste of time. Their conclusion was that the Secretary General should be allowed to complete the full and confidential Report of the Commission, for the three Governments only, and that it should be suggested to the latter that, once this Report intended for themselves, exclusively, had been completed and approved, they should make known their wishes to their respective Commissioners regarding an abridged and quite independent Report, for publication, which might be prepared, by the Secretary General, if so desired.

The American and French Commissioners shared this point of view.

Decision :

It was decided that the Secretary General would continue to prepare the Commission's Report on the lines which had been adopted hitherto.

The Secretary General said that the Chairman had, with one exception which he had noted, approved the portions of the draft Report which he had circulated up to then, but that the French Commissioner had informed him that he had a number of amendments, mainly minor ones, to put forward. He (the Secretary General) suggested that requests for amendments should be left until the end, when he would endeavour to incorporate them in one suggested final text. He was afraid that requests for amendments, whilst the Report was in course of preparation, might lead to confusion and would involve a considerable amount of additional typing which his present reduced staff would be unable to cope with.

Decision :

The Secretary General's suggestion was agreed.

5. Any other business.

Election of a new Chairman to succeed Sir Ronald Wingate, with effect from 1 November 1958.

After a short exchange of views, the Commission decided to elect Monsieur Jacques Lanson, the French Commissioner, as its new Chairman, to succeed Sir Ronald Wingate, with effect from 1 November 1958.

Monsieur J. Lanson expressed thanks to his colleagues, in appropriate terms, for the confidence which they had placed in him and said that he would do his best to follow in the footsteps of his predecessor.

The meeting adjourned at 5.45 p.m.

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FROM: **Ambassy BRUSSELS**

TO: **Secretary of State**

REF ID INFO: **Ambassy THE HAGUE (UNN)**

NO: **G-110**

RE: **Depts 737, 738 and Department's G-82  
From TGC Commissioner**

**LEGAL ADVISER**

*File 10/23/58*  
**OCT 17 1958**

**Essence TGC meeting October 13 as follows, DEPARTMENT OF STATE**

1. Dutch problem. Discussion opened with all three Commissioners expressing their Governments' views informal discussion with Kan may be best at this time. Ensuing lengthy consideration problem, however, brought unanimous agreement Dutch note October 9 to the three Governments had conveniently taken problem out of hands Kan and Commissioners should individually recommend to their Governments: a) Commission be authorized send brief reply Kan stating Commission was about reply his questions in informal hearing when October 9 note received by the three Governments but is now furnishing them substance reply Commission intended give for consideration in preparation replies October 9 note and b) three Governments use reply (agreed as modified Department's A-80) as basis their replies to Dutch. TGC agreement based on belief Kan has personal stake in keeping problem alive and cannot be counted upon report informal hearing accurately. Also important if Dutch pursue idea arbitration or even take matter ICJ have unequivocal written record Commission's views backed by three Governments. TGC believes this solution serves best either for heading off Dutch referral claim to higher tribunal or for making case should they do so TGC then agreed amend French Commissioner's draft reply exactly as proposed Department's A-80 except to add after words "in Germany" in our suggested modification question 5 (a) and (b) some reference to Part III of Act of Paris. It was also decided recommend to three Governments they consider including in their replies to Dutch note more specific reference to independent findings Professor Sauser-Hall and similarity TGC treatment claims five different countries as mentioned Jordan-Hoss letter September 23 and attached excerpt Wingate letter September 8 forwarded under Department's transmittal slip October 8.

2. Czech problem. Commission agreed send simple letter acknowledgement Czech letter August 15 (INTs 3372 and 3386)

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and respect U.S. view substantive reply neither necessary nor desirable. U.K. and French Commissioners reluctantly abandoned their Governments' positions favoring such reply.

3. Albanian problem. TGC agreed send simple acknowledgement. British Commissioner made clear his Government not interested discuss substantive reply and in light discussion point 2 above and U.S. Commissioner's interpretation Department's G-82 he concurred as did French Commissioner.

4. SYG requested authority send automatic acknowledgements all notes and letters received and British and French Commissioners agreed. U.S. Commissioner reserved on basis outside chance legal implications some acknowledgements. Please advise.

5. Chairman cited agitation within his Government for preparation public report by TGC under Act of Paris. He took position, however, while confidential report to three Governments is definite responsibility TGC, decisions on parts confidential report to be published and responsibility for report itself attach to three Governments under Act of Paris. He saw no objection SYG and TGC being asked assist three Governments but in any case insisted on completion confidential report first. French and U.S. Commissioners agreed ad referendum.

6. Chairmanship of TGC. At end meeting Chairman raised question his successor and (with obvious reference to Lansen) suggested key element in choice was experience in long, complicated background TGC matters. Cotten, who will succeed Wingate as U.K. Commissioner and was present, immediately expressed agreement and readiness accept either French or U.S. Commissioner as new Chairman. French Commissioner indicated willingness serve and U.S. Commissioner was left little choice but accept French Chairmanship. Understand TGC traditionally chooses own Chairman. Believe choice satisfactory particularly as Cotten (will be left responsibility for striking British Pavilions at Brussels Exhibition) and U.S. Commissioner have heavy responsibilities other fields. Lansen will take chair effective November 1. No mention made press release despite information Deptel 751 which arrived October 14.

7. Retirement Wingate after 11 years on TGC celebrated by luncheon before meeting. At end meeting among expressions appreciation from French and U.S. Commissioners, latter took liberty speaking not only for self but his Government.

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FINAL MINUTES

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INT-3131  
G/ICE/146th

2 April 1957.

From : The Secretary General  
To : The Commissioner of the Government of the United States of America ✓

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The Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland

The Commissioner of the Government of the French Republic.

I enclose the final Minutes of the 146th Meeting, as approved at the 147th Meeting.

For the purposes of the records Annexes A, B and C to these Minutes have been left in their original form.

It will be recalled that the American and French Commissioners agreed, in principle, at this 146th Meeting, with the Chairman's suggestions but reserved their final approval until they had had an opportunity of examining the texts (Annexes A, B, and C) prepared by the Chairman.

These texts were discussed, in detail, at the 147th Meeting and they were re-drafted, in final form, at that Meeting. Copies of these final texts will, therefore, be attached, as Annexes A, B and C, to the final Minutes of the 147th Meeting.

(sgd) J. A. WATSON.

J.A. WATSON,  
Secretary General.

END  
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Authority NND 968106  
By TJ NARA Date 5/16/99

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2 April 1957.

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FINAL MINUTES

TRIPARTITE COMMISSION FOR THE  
RESTITUTION OF MONETARY GOLD.

146th Meeting

25 March 1957 - 3 p.m.

Present :

- H.E. Sir Ronald WINGATE - Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland - Chairman.
- Richard B. FREUND, Esquire - Commissioner of the Government of the United States of America.
- Samuel E. PERKINS, Esquire - Deputy Commissioner of the Government of the United States of America.
- Monsieur Jacques LANSON - Deputy Commissioner of the Government of the French Republic.

Secretariat

- Colonel J.A. WATSON - Secretary General.

1. Consideration of the contents of a letter, dated 7 March 1957, from the American Commissioner.

The Chairman read out the text of the American Commissioner's letter of 7 March 1957, to the Secretary General, who had circulated it, under cover of his confidential INT-3128, dated 11 March 1957, as follows :

" Reference is made to recent communications and discussions regarding the problems of the remaining, so-called tainted, gold. While not persuaded with respect to these questions, the United States has decided to defer to the United Kingdom and French views. The United States is, therefore, now in a position to proceed with the signature of all awards, except the Czech award which remains unagreed.

" I would appreciate it if you would bring this letter to the attention of the United Kingdom and French Commissioners. I suggest that as soon as their governments have indicated their agreement, in principle, to proceed as indicated above, a meeting of the Commission be arranged in order to discuss timing and other details which might be the basis of appropriate recommendations to the three Governments. "

He (the Chairman) said that he was most grateful to his American colleague for his contribution towards the completion of the

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exception of that which dealt with the Czech claims, would, of course, constitute a big step forward. He, then, asked his American colleague what, in his opinion, the next step should be.

The American Commissioner said that, as stated in his letter, he was prepared to sign all the awards with the exception of that which concerned Czechoslovakia. The next step, in his opinion, should be a distribution of all the gold which was not immobilized by some unanimous decision (Albania, Danzig) or in respect of which unanimous agreement had not been reached within the Commission (Czechoslovakia). What he had in mind was something final. He suggested that there should be a departure from previous notions as to the form of the documents to be used (announcement, accompanying letter and waiver) and that the quickest way of effecting distribution should be sought. He was anxious to have the opinion of his two colleagues regarding this suggestion and, also, as to what communication should be addressed by the Commission to the three Governments constituting it.

The Chairman thanked his American colleague for having clarified the position. He (the Chairman) was of the opinion that this matter required very careful consideration. He did not know whether there had been any Tripartite conclusions at Washington. His Government had not received any information on this subject and it had not given him any instructions additional to the standing instructions which he had had for some time. He understood that what his American colleague had in mind was a distribution of all the gold, with the exception of the three items already mentioned and he (the American Commissioner) had characterized this distribution as final. The Chairman considered that no absolutely exact amount of gold could be distributed so long as the Czech adjudication had not been agreed, since the final figures could not be determined until the Commission had reached a final decision on the Czech claims.

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The Secretary General gave some explanations, at this stage, regarding the position and pointed out that he could not credit the gold pool and debit Czechoslovakia, in the gold accounts, with some 3,700 kgs of gold recovered by that country from Switzerland until a final decision had been reached on the Czech claims. There had been two cases where action of this nature had been taken following upon decisions of the three Governments communicated to the Commission, but, in this case, no decision had, as yet, been taken. He (the Secretary General) had, however, taken these 3,700 kgs into account when drawing up the schedules of suggested distributions which had been communicated to the three Commissioners, and this would again be taken into account in any schedule sent to the three Governments pursuant to decisions taken at the present meeting.

The Chairman then continued his statement. He said that the Commission was governed by an instrument, its Terms of Reference, which were, in effect, an international instrument in implementation of the decisions taken at the Paris Conference on Reparation. The Terms of Reference had been issued by the three Governments constituting the Commission and they had been notified to all the signatories of the Paris Agreement on Reparation and to the general public. The three Governments were, of course, at liberty to amend or abolish these Terms of Reference but they had not done so and the Commission was, therefore, bound by the Terms as they then stood. Paragraph 5 (c) read as follows: "In due course to announce the total value of the pool of monetary gold which will become available for distribution by way of restitution", and Paragraph 5 (d) read as follows: "When all claims for restitution have been received and adjudicated upon, to announce the share in the pool of monetary gold available for restitution to each country entitled to participate in the pool." As had already been explained, the Commission was not yet in a position to announce the amount of the pool available for distribution and it had not been able to reach unanimous agreement on the Czech claims and could not announce the amount of that country's share. It was not, therefore, able, at that stage, to comply with the clear stipulations contained in Paragraph 5 (c) and (d). It was necessary, therefore, to see how, keeping within the Terms of Reference and particularly in the light of Paragraph

(e) which read : "In such other ways as shall be decided by the three Governments establishing the Commission, to assist in the distribution of the pool of monetary gold available for restitution.", the Commission could best put into practice the idea put forward by the American Commissioner. The Chairman then suggested that the most appropriate solution might, perhaps, be to address a formal communication, signed by all three members of the Commission, to the three Governments, explaining the position which had now been reached and making certain recommendations. He read out a draft (see Annex A to the present minutes) of the type of communication he had in mind.

The French Commissioner thanked his American colleague for his kind co-operation which had enabled the Commission to reach a further and important stage towards the completion of its work. The procedure suggested by his American colleague amounted to quasi liquidation. He, for his part, had heard about the conversations in Washington. The French Representative, at these conversations, had been directed to ask a number of questions regarding the various suggestions which had been put forward. His Government had reached the same conclusions as the Chairman. It was impossible, at that stage, to make an announcement in its final form as provided for in the Commission's Terms of Reference. It (his Government) was of the opinion that all that could be done, at the moment, was to proceed to a further interim distribution, on the lines of those which had already been made in 1947/48. The Department of State had asked certain questions regarding the quantities of gold which could, safely, be distributed and the French Government had replied that, in its view, the maximum amount compatible with the setting aside of the Czech share, on the basis of the adjudication which had met with British and French approval, and the immobilisation of the Albanian and Danzig shares, should be delivered. (see Annex B to the present minutes). Some 4,000 kgs of gold were due to be received from Portugal and this would constitute a sufficient reserve to meet emergencies. He (the French Commissioner) was of the opinion that the adjudications (with the exception of that on the Czech claims) should now be signed and that an interim distribution should be made, if the three Governments approved.

The American Commissioner said that the general idea was to dispose of the maximum amount of gold possible. It was desirable, at this stage, to avoid tacking names on to the various acts of procedure. He felt confident that something satisfactory could be worked out. Looked at from the point of view of the recipients, the distribution was, in effect, a final distribution. The recipients might, perhaps, be taken into the Commission's or the three Governments' confidence and given a hint or information to the effect that this was the case. The distribution would be final in everything but name.

While the possible announcement envisaged in Paragraph 5(c) of the Commission's Terms of Reference could not, of course, be made, the Commissioners considered the possibility that a press release might be suggested to the three Governments in connection with the suggested distribution.

The Chairman said that he agreed that it seemed advisable to make it known, in some way, to the recipients that the gold delivered to them constituted all but a negligible portion of what they would get. He read out a suggested addition to the draft communication to the three Governments which he said his two colleagues would be able to examine at leisure when they received the draft minutes. He added that it was only necessary now to decide on the method, to be suggested to the three Governments, whereby the claimant countries could be advised of the allocation made to them and of the procedure to be followed by them in order to obtain delivery. He described the letter which had been used for this purpose on the occasion of the previous deliveries. It was only necessary to alter the wording slightly to meet the circumstances.

The Secretary General suggested that any terms which might enable dissatisfied claimants to contend that Paragraphs 5 (c) and (d) had been complied with from a juridical point of view should be avoided at this stage, since this might leave an opening for litigation, at an awkward moment, before the majority of the gold had been disposed of.

The Chairman then read out the draft of a suggested letter to claimant Governments (see Annex C to the draft communication attached to the present minutes.)

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By T. MARA Date 5/16/99

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The Secretary General mentioned that a different text, on the lines of the one which had been adopted for the last distribution to France via Belgium would have to be adopted in the case of Belgium<sup>Luxembourg,</sup> and France and that the letter would have to be amended in the case of Greece, which had already received a letter of allocation but had not taken delivery of the gold mentioned therein. The necessary texts could easily be arranged.

The question would also arise as to whether Belgium should be advised, verbally or otherwise, at this stage, that its claim in respect of the gold collected by the Banque d'Emission had been rejected. This seemed hardly avoidable, in view of the suggested wording of the letter of allocation. If the claim in respect of the Banque d'Emission gold had succeeded, the gold allocated in respect of this claim would have been retained by Belgium as its own property. All the rest of the gold allocated was to be transferred, by agreement, to France.

The American Commissioner then asked a number of questions, which were answered by the Chairman and the Secretary General. He, also, referred to the question of the waiver and a discussion ensued as to whether it should be recommended or not that a new form of waiver be used.

It was agreed that the latter question would be examined further at a meeting to be held at 3 p.m. on Friday 29 March 1957.

The Chairman drew attention to the fact that he had left a blank space in his suggested communication (annex A) to the three Governments, in which this question of the waiver would be raised if the Commission felt, on examination, that this matter should be taken up.

The American Commissioner asked the Secretary General how long he thought it would take him to prepare the letters of allocation to the claimant Governments.

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The Secretary General replied that he was loath to give a definite date since unforeseen circumstances, upsetting the time tables, were apt to arise in complicated matters of this nature. For instance, the documentation

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would have to be communicated to the British and French Commissioners by diplomatic bag, in this particular case, and if he (the Secretary General) missed a bag and the addressees missed the return bag, some three weeks might elapse before agreement could be reached. He would do his best and he hoped that a few weeks, at most, would suffice to complete the necessary arrangements. Once the letters had been despatched, some time might elapse before the necessary powers would be forthcoming and meetings could be arranged for purposes of delivery.

Decision :

The American and French Commissioners agreed, in principle, with the Chairman's suggestions but said that they would like to reserve their final approval until they had had an opportunity of examining, at leisure, the texts which the Chairman had prepared. These texts, in their suggested final form, would be annexed to the draft minutes.

2. Any other business.

(a) Settlement of a drafting problem.

At the request of the French Commissioner, a drafting problem, connected with the Belgian adjudication, was examined and appropriate instructions were given to the Secretary General.

The Meeting adjourned at 5.45 p.m.

209477

Communication to the three Governments.

The Tripartite Commission for the Restitution of Monetary Gold has the honour to address the three Governments which have established the Commission (vide the "London Gazette" and the "Journal Officiel de la République Française" of 27th September 1946, and the "Department of State Bulletin" of 29th September 1946) in connection with the final stages of its work.

The Commission has now, in respect of all claims submitted to it, fulfilled its functions under Section 5(a) and (b) and Section 6 of its Terms of Reference, except in the case of Czechoslovakia, where the American Commissioner did not agree with the adjudications previously prepared by the French and British Commissioners. In these circumstances, the Commission feels that it is unable to proceed, on its own initiative, with its functions given under Section 5(c) and (d) of its Terms of Reference.

Without prejudice to any action which the three Governments consider it appropriate to take in this respect, the Commission ventures to suggest that the three Governments may see fit to instruct the Commission to make a distribution of the maximum amount of gold possible in the circumstances of each individual case to all countries with regard to which the Commissioners' decisions have been unanimous. For this purpose, it would be necessary to make a calculation as to the maximum amount of gold which had been established as due to Czechoslovakia in accordance with the opinions of the French and British Commissioners, and to hold such an amount of gold in reserve pending a final unanimous decision as to Czechoslovakia's claims.

Annex B attached to this report shows the shares which would be due to each country on the above assumption, and upon the assumption that the gold to be distributed is only that held in the gold accounts of the pool to-day. It also shows the amounts that the Commission considers could be distributed in each case.

Further the Commission considers that the amount which a country would receive in this distribution of gold (which would in fact approximate to a final distribution) should be communicated to each country separately in a brief letter, of which a suggested draft is given in Annex C.

( W A I V E R ? )

If the three Governments should decide on the course suggested, the Commission is of the opinion that a short press communiqué might be issued by the three Governments stating that a further distribution of gold from the gold pool had been made to claimant Governments; and that an opportunity might be taken by the accredited diplomatic Representatives of the three Governments to claimant countries concerned to mention orally that the distribution was to all intents and purposes the final one, and that what further would be received would not be significant. It would be necessary to decide upon the timing of the press communiqué and of the oral communications made.

Finally, the Commission wishes to draw the attention of the three Governments to the cases of Albania and Poland. The Commission has found the claims of Albania substantiated, but has proposed that Albania's pro rata share in the gold pool should remain in the custody of the three Governments pending a decision as to whom it should be delivered; and in the case of Poland has rejected all Poland's claims except that which Poland made in respect of the gold of the Bank of Danzig, where the Commission has held that the pro rata share must remain in the custody of the three Governments pending a decision as to the successor to the Free State of Danzig. The Commission would seek instructions as to whether any letter should be sent to the Governments of Albania and of Poland and, if so, in what form.

Commissioner.

Commissioner.

Commissioner.

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By T. NARA Date 5/6/99

ANNEXE A

PROJET

CONFIDENTIEL

La Commission Tripartite pour la Restitution de l'Or Monétaire a l'honneur de porter les informations suivantes, qui ont trait aux derniers travaux qui lui restent à effectuer, à la connaissance des trois Gouvernements qui l'ont constituée (cf. "London Gazette" et "Journal Officiel de la République française" du 27 septembre 1946 et "Department of State Bulletin" du 29 septembre 1946).

La Commission a maintenant rempli, à l'égard de toutes les demandes qui lui ont été soumises, à l'exception de celles qui sont présentées par la Tchécoslovaquie, toutes les tâches qui lui incombent en application des paragraphes 5 (a) et 5 (b) et de l'article 6 de sa Charte Constitutive. En ce qui concerne les réclamations de la Tchécoslovaquie, le Commissaire américain n'approuve pas les décisions antérieurement proposées par les Commissaires britannique et français. De ce fait, la Commission constate qu'elle n'est pas en mesure de poursuivre, de sa propre initiative, l'accomplissement des fonctions dont elle est chargée aux termes des paragraphes 5 (c) et 5 (d) de sa Charte Constitutive ci-dessus mentionnée.

Sans vouloir préjuger les décisions que les trois Gouvernements envisageront de prendre à ce sujet, la Commission se permet de leur suggérer qu'il serait peut-être opportun de la charger de procéder à la distribution des montants maximums qui pourraient être livrés, dans chaque cas particulier, à tous les pays dont les demandes ont fait l'objet de décisions unanimes des Commissaires. Il serait nécessaire, en vue d'une telle distribution, de déterminer la quantité d'or la plus élevée qui, selon les propositions des Commissaires britannique et français, devrait être considérée comme due à la Tchécoslovaquie et de conserver cette quantité en réserve jusqu'à ce qu'une décision finale soit prise à l'unanimité sur les demandes de ce pays.

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Compte tenu de cette observation et sous réserve, d'autre part, que soit seulement distribué l'or qui figure à ce jour dans les comptes de la masse, les parts qui reviendraient à chaque pays sont précisées à l'annexe B à la présente communication. Ce tableau indique également les montants qui, de l'avis de la Commission, pourraient être livrés.

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By T. MARA Date 5/16/99

En outre, la Commission estime que les bénéficiaires devraient être informés séparément, par une courte lettre établie dans le sens du projet joint en annexe G, du montant de la quantité d'or qui leur serait livrée à l'occasion de cette distribution (qui équivaldrait pratiquement à une distribution finale).

(Renonciation)

Si les trois Gouvernements décidaient d'adopter les suggestions ci-dessus, la Commission pense qu'ils pourraient publier un bref communiqué exposant qu'il a été procédé, en faveur de Gouvernements demandeurs, à une nouvelle distribution d'or provenant de la masse. Elle estime, d'autre part, que les Représentants diplomatiques des trois Gouvernements accrédités auprès des Etats intéressés pourraient saisir une opportunité d'informer ceux-ci verbalement que la répartition ainsi faite doit être considérée comme étant pratiquement la distribution finale et que les reliquats qui pourraient leur être ultérieurement versés seraient insignifiants. Il serait nécessaire de préciser à quels moments serait publié le communiqué de presse et seraient effectuées les démarches verbales.

Enfin, la Commission désire appeler l'attention des trois Gouvernements sur les cas de l'Albanie et de la Pologne. Elle a décidé que les demandes de l'Albanie étaient recevables mais a proposé que sa part dans la masse demeure consignée entre les mains des trois Gouvernements jusqu'à ce qu'une décision soit prise en vue de préciser à qui cette part devra être remise. Toutes les demandes polonaises ont été rejetées à l'exception de celle que le Gouvernement de Varsovie a présentée au titre de l'or de la Banque de Dantzig. La Commission considère que la quantité d'or correspondant à cette dernière demande doit rester à la disposition des trois Gouvernements tant que n'aura pas été désigné le successeur de la Ville Libre.

La Commission désirerait savoir si des lettres doivent être adressées aux Gouvernements albanais et polonais et, dans l'affirmative, quelle devrait en être la teneur.

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Commissaire

Commissaire

Commissaire

Country	(1) Validated claims	(2) Amounts due on the basis of 64.1316%	(3) Amounts already delivered	(4) Balance due	(5) Amount which the Commission recom- mends should be distribu-
Pays	Montants reconnus	Montants dus sur la base de 64.1316%	Montants déjà livrés	Soldes dus	Montant de la distribution suggérée par la Commission
	Kgs	Kgs	Kgs	Kgs	Kgs
Albania/Albanie	2,454.8745	1,574.3503	-	1,574.3503	-
Austria/Autriche	78,267.1478	50,193.9742	44,031.8249	6,162.1493	6,150.-
Belgium/Belgique	198,433.8417	127,258.7976	115,650.9277	11,607.8699	11,600.-
Greece/Grèce	83.7330	53.6993	-	53.6993	50.-
(x) Italy /Italie	69,320.6709	44,456.4554	31,667.5131	12,788.9423	12,500.-
Luxemburg/Luxembourg	4,223.7040	2,708.7289	1,929.4999	779.2290	750.-
(x) Netherlands/Pays-Bas	110,174.6296	70,656.7528	66,539.0068	4,117.7460	3,900.-
Poland/Pologne	-	-	-	-	-
Danzig/Dantzig	3,858.8835	2,474.7637	-	2,474.7637	-
Czechoslovakia/Tchécoslovaquie	43,999.3638	28,217.4960	9,784.0225	18,433.4735	-
Yugoslavia/Yougoslavie	3,243.4422	2,080.0714	317.4256	1,762.6458	1,750.-
	514,060.2910	329,675.0896	269,920.2205	59,754.8691	

Note: English punctuation has been used when typing the figures/ La ponctuation anglaise a été employée dans la presentation des chiffres.

Amount of the pool available for distribution taking into account the Czech. recovery ( 331,665.4773  
 Montant du pool disponible pour distribution, compte tenu de la récupération Tcheque (

Amount of the pool available for distribution Montant du pool disponible pour distribution	{	331,665.4773 Kgs	Balance of the pool as at 15.3.57 Solde de la masse au 15.3.57	{	61,745.2568 Kgs
Amount to be distributed as detailed in column 2 Montant à distribuer suivant détails à la colonne 2	{	- 329,675.0896 Kgs	Amount due as in column 4 Montant dû d'après colonne 4	{	- 59,754.8691 Kgs
Reserve .....		1,990.3877 Kgs			1,990.3877 Kgs

(x) Small adjustments may have to be made following on eventual decisions of the Conciliation Commission in Rome and are taken into account in the Commission's recommendations at column 5.

De légères corrections devront peut-être être faites à la lumière des décisions que pourra prendre la Commission de Conciliation à Rome et il en a été tenu compte dans les suggestions de la Commission à la colonne 5.

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 By: J. ANARA Date: 5/10/99

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Authority NND 9108106  
By T. NARA Date 5/16/99

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ANNEX C

Covering letter announcing a further distribution

Sir,

The Commission has the honour to request that you should inform your Government that the Commission has now completed its examination of all the claims for restitution of monetary gold made by your Government before it. In view of this and under the instructions of the three Governments, custodians of the gold pool, a further allocation of gold amounting to ..... has been decided in favour of your Government.

Certain amounts of gold have been held in reserve in respect of a few claims still undecided, and there may be further accruals of gold to the pool. Consequently, it is possible that some further gold may be available for distribution later.

The Commission would be grateful if your Government would empower a representative in Brussels to receive the delivery order for the gold. His powers should be communicated to the Commission's Secretary General to enable the latter to make the necessary arrangements.

It would be appreciated if you would indicate, at the same time, the exact designation of the Institution or other body in whose name the delivery order should be drawn up.

Commissioner.

Commissioner.

Commissioner.

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Authority NND 948 106  
By T. NARA Date 5/16/99

ANNEXE C.

PROJET

LETRE ANNONCANT UNE NOUVELLE DISTRIBUTION.

Excellence,

La Commission a l'honneur de vous prier de porter à la connaissance de votre Gouvernement qu'elle a maintenant achevé l'examen de toutes les demandes de restitution d'or monétaire qu'il lui a présentées et qu'en conséquence, il lui est alloué, d'ordre des trois Gouvernements détenteurs de la masse, une nouvelle attribution d'or s'élevant à .....kg.

Une fraction de la masse doit encore être réservée en raison du fait qu'il n'a toujours pas été statué sur un petit nombre de demandes. Il est donc possible, de même que si de nouveaux apports viennent accroître la masse, que certaines quantités d'or soient ultérieurement disponibles pour distribution.

La Commission serait reconnaissante à votre Gouvernement de bien vouloir accréditer un Représentant à Bruxelles à recevoir l'ordre de livraison de la quantité d'or ci-dessus mentionnée. Les pouvoirs de ce Représentant doivent être communiqués au Secrétaire Général de la Commission afin de permettre à ce dernier de prendre les dispositions nécessaires.

La Commission serait également obligée à votre Gouvernement de lui préciser, à cette occasion, la dénomination exacte de l'Institut ou de l'Autorité au nom de qui doit être établi l'ordre de livraison.

Veuillez agréer, Excellence, les assurances de notre haute considération.

Commissaire

Commissaire

Commissaire

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Authority **NND 968106**  
By **TJ** NARA Date **5/6/99**

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Box 5

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28 February 1957.

CONFIDENTIAL

Transmitted with  
explanatory D-1103  
3/1/57 (filed 91)

Final Minutes of the 145th Meeting, held on  
21 February 1957, incorporating amendments requested  
by the American Commissioner.

(EGD) J. A. WATSON.

information.  
information.

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 Authority NND 968106  
 By TJ NARA Date 5/26/99

FINAL MINUTESTRIPARTITE COMMISSION FOR THE  
RESTITUTION OF MONETARY GOLD.12th Meeting11 February 1957 - 3 p.m.Present :

H.E. Sir Ronald WINGATE

- Commissioner of the Government of the United Kingdom of Great Britain and Northern Ireland - Chairman.

Richard B. FRIEND, Esquire

- Commissioner of the Government of the United States of America.

Samuel E. PERKINS, Esquire

- Deputy Commissioner of the Government of the United States of America.

Monsieur Jacques LANSON

- Deputy Commissioner of the Government of the French Republic.

Secretariat

Colonel J.A. HANCOX

- Secretary General.

The Chairman welcomed his new American colleague, Mr. Richard B. Friend, and the latter's Deputy, Mr. Samuel E. Perkins, and traced a brief history of the friendly relations which had always existed between his French colleague and himself and the American Commissioners.

The French Commissioner said that he wished to be associated with the Chairman's remarks.

The American Commissioner and Deputy Commissioner thanked their two colleagues for what they had said.

1. Statement by the Chairman.

The Chairman said that, unless there were some positive move on the part of the Commission, such as the announcement of a further interim distribution of gold, he (the Chairman) and his French colleague would be placed in a most difficult position. For a number of years, they had been ready to proceed with the Commission's work, but the American Commissioner had not been able to take decisions. Some 60,000 kgs of monetary gold, of which claimant countries were in great need, were immobilized and, for reasons which the Chairman expounded at some length, it was essential that the major portion, at least, of this gold should be distributed without further delay, pursuant to the undertaking given, at the Paris Conference on Reparation, by the three Governments constituting the Commission. In saying this, the Chairman was speaking both on his own behalf, as a Commissioner, and on behalf of Her Majesty's Government, which he represented. It was understood, of course, that some shares might have to be reserved and the three Governments would, no doubt, when giving a formal authorisation to their respective Representatives on the Commission to proceed with a further distribution, issue, at the same time, appropriate directions on this subject. In conclusion, the Chairman pressed his American colleague to explain the position to his Government and to stress the necessity for a further distribution (even if restricted) of gold.

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The French Commissioner spoke in the same sense, mentioning that he was doing so both on his own behalf, as a Commissioner, and on behalf of the Government of the French Republic, which he represented. He pointed out that, in order to save time and facilitate an early distribution, he had considerably reduced, with a view to avoiding further complications, the amendments he had suggested in September 1954. He was sorry to see that the results he had anticipated had not been achieved. He (the French Commissioner) suggested that the question of a further distribution might, perhaps, best be dealt with in the form of a letter which the Commission might address to the three Governments constituting it. Finally, the French Commissioner asked if the Secretary General could prepare and circulate a schedule showing the amounts of gold which could, without risk, be included, on the basis of the Commission's decisions as they then stood, in the suggested further distribution.

The Secretary General said that a few days would be necessary to prepare this paper.

The American Commissioner, who had listened, with great care, to his two colleagues' statements and had asked a number of questions which were answered by his two colleagues and the Secretary General, made certain comments regarding the position as viewed from his angle. He said that he would do his best to contribute to progress toward conclusion of the Commission's work and that he was prepared to convey the idea of a further interim distribution to his Government.

Decision :

1. It was decided that the Commissioners, individually, would discuss with their respective Governments the question of a further distribution of gold;
2. that the Secretary General would prepare and circulate a schedule on the lines suggested by the French Commissioner.
3. Decision regarding the action to be taken in the case of Mr. Herzog.

The Chairman referred to the various documents which had been circulated by the Secretary General. Mr. Herzog appeared to have collected a number of documents with a view to applying for a reward. It was essential, in the Chairman's view, that the Commission should avoid placing in his hands any document which he might attempt to take advantage of, at some later date. In any event, the question of a reward, if it were asked for, was no concern of the Commission. He (the Chairman) suggested that a reply on the following lines might be sufficient :

"Dear Sir,

" Your letter of 29th December 1956 has been received by me.

" I am replying to this letter personally, as I am afraid that you are under a misapprehension. I am only able to communicate with the Governments which have constituted the Commission or which are claimants before it.

"

Yours faithfully,

"

(s)

J.A. EATON,  
Secretary General.

"

The French Commissioner concurred with the Chairman's views.

3/.....

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... commissioner said that he had been ready to accept, with slight amendments, the suggested reply which the Secretary General had drafted and circulated as it conveyed the essential point that the Commission, including the Secretary General, could deal only with Governments. However, he had no objection to an answer being made on the lines suggested by the Chairman, since the letter from Mr. Hornog was addressed only to the Secretary General and the suggested reply from him avoided the implication that Mr. Hornog was invited to address himself to the three Governments.

**Decision :**

The Chairman's suggestion was adopted and the Secretary General was directed to take action accordingly.

3. Decision regarding the action to be taken following upon the receipt of a "Pro Memoria" from the Embassy of Yugoslavia.

The Chairman recalled that the Secretary General, when circulating the Pro Memoria referred to above, mentioned that he had been informed by the Yugoslav Representatives that their Government had delivered a similar note some weeks ago to the three Governments constituting the Commission. His (the Chairman's) Government had received this note and was making arrangements to reply. The other two Governments were, no doubt, taking similar action. The Secretary General had suggested that there was, perhaps, no necessity for the Commission to reply. The Chairman was inclined to agree.

The Secretary General said that he did not think that a reply was expected. The Pro Memoria had been left with him, for information, and he had stated that he would communicate its contents to the three Commissioners.

**Decision :**

It was agreed that there was no necessity for the Secretary General to send a reply to the Yugoslav Embassy.

4. Any other business.

The Chairman referred to an article, on looted monetary gold matters, which a distinguished journalist, Mr. Harry J. Greenwall, was writing for a well-known British magazine. He wished to assemble a number of good anecdotal stories on this subject and had applied to the Commission for information, primarily on gold discoveries, since this offered a better field for such stories, and, subsidiarily, on the principles which had governed the restitution of the gold recovered and the manner in which those principles had been applied. It had been explained to him that the Commission was not responsible for assembling the gold pool, but that it had arranged most of the transfers of this gold from the points of assembly to the Central Banks where the gold pool was deposited. He had been lent one or two press extracts, from the Commission's files, containing what appeared to be comparatively reliable accounts of some of the discoveries of looted gold, particularly of the gold which had been hidden in the Markers' salt mine. With regard to the question of restitution, it had been explained to Mr. Greenwall that the Commission was responsible for determining the shares in the gold pool available for restitution to each country entitled to participate in the pool, but that, since the Commission's decisions had not yet been announced, no information could be given him on this subject or regarding the evidence before the Commission and that the content of the gold pool was still secret. The basic documentation governing the Commission's work had, however, been published, together with the Commission's Terms of Reference, in the official gazettes of the three Governments and in the press, and copies of this documentation had been made available to Mr. Greenwall and he had also had access to a press communiqué issued by the Commission in 1948. It was obviously in the interest of the Commission to be on good terms with the press. Mr. Greenwall had agreed to submit his article, for observations, prior to its publication.

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By TJ NARA Date 5/16/99

The American Commissioner mentioned that the appropriate Services of the United States had been approached by Mr. Greenwall and he (the American Commissioner) questioned the Chairman on one or two points of detail and made certain suggestions.

The meeting was adjourned at 5 p.m.

JAN/UB

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