
REPORT TO THE PUBLIC ON THE WORK OF THE COMMISSION IN 2006

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The CIVS entered the seventh year of an existence which it hopes will be as short as possible. For several months now, the number of files it has investigated and examined exceeds the number of new claims received.

Thanks to a set of finalized rules and operating principles and the ongoing interest and support demonstrated by the French authorities, the Commission issued 4,015 recommendations in 2006 while registering only 1,223 new files. However, the number of new claims remains significant. Thus, statistics for December 2006 show that, while 235 reports were submitted to the office of the Principal Rapporteur (196 material files, 37 bank-related files and 2 re-examinations), 102 new claims were received and 17 files were created by the Commission.

The steady number of claims received monthly over the past two years, despite the fact that the CIVS has been extremely well-publicized since its creation, is worthy of mention. Do many claimants perhaps hesitate a long time before submitting their claim? Would it also be helpful to launch a new communication campaign so that those who are still hesitating to submit a claim to the Commission can be invited to take advantage of a period in which the volume of activity is declining? Starting in early 2007, efforts will also be made to contact claimants who have submitted a claim but have not yet responded to the questionnaire sent to them at that time.

During the previous year, a number of measures were taken to better inform the public of the Commission's activity, and to facilitate claimants' claims and bring them to a successful conclusion. For example, CIVS sessions were held in Israel and the United States during which nearly 200 files were examined in the presence of victims or heirs of victims unable to travel to France.

In addition, an entire day was set aside in September 2006 during which all Commission employees manually counted the files. One of the many results of this delicate operation, which will be repeated, was that it enabled us to check the reliability of our statistics and of the computer system that manages them.

An enormous amount of work remains. Thousands of files must still be submitted for investigation and examination by the CIVS, which cannot step up its current work pace without compromising the quality of its work and failing to carry out its stated mission: informing victims' families of the status of the assets taken away from them and proposing suitable reparation, restitution or compensation measures.

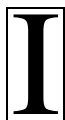
Inevitably, achieving these goals requires time, which makes it difficult to provide a fast response to the requests submitted to the CIVS. It goes without saying that very complex claims, such as those where spoliations are significant or heirs are difficult to find, require a great deal of time. But even the most straightforward files, in the interest of their claimants, also require lengthy research at the various archive centers where evidence and information that would otherwise remain unknown are often found.

Another reason for delay is the fact that financial need, age and state of health of certain claimants must be taken into account to determine the order in which the Commission examines the files. The application of these criteria results in a delay in the examination of files of low-priority individuals.

Nevertheless, as evidenced by the statistics shown below, each of the Commission's teams does its best to ensure that claims are followed up as quickly as possible.

Thanks to the many contacts that the CIVS has had in France and abroad since its creation, the number of people who are aware of its activity has grown significantly. In light of this fact, the aim of this report, which is submitted to the Prime Minister, is not only to give an assessment of the past year, but also to provide an overview of the life of the Commission.

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ORIGINALITY OF THE ARCHIVAL SEARCH SYSTEM: THE BERLIN OFFICE, WHERE GERMAN COMPENSATION INITIATIVES AND FRANCE'S REPARATION POLICY INTERSECT

① THE OFFICE: A NECESSITY AND A HISTORY

The work of the Matteoli working party demonstrated the **importance of using the archives under the German restitution act (BRÜG)** as part of a French compensation program.

As the Matteoli working party emphasized in the recommendations it sent to the French government, adherence to two principles was proposed: the absence of any prior compensation for a loss and equality in the treatment of claimants. Because compensation for spoliations of personal property in France resulting from the "*action meubles*" (personal property action) measures had been paid by the German government under the BRÜG Act, consultation of the files seemed essential from the time the CIVS was created in order to guarantee the duty of fairness stipulated by the Decree of September 10, 1999 by which the Commission was founded.

As a result, each claim submitted to the Commission must be reviewed not only in terms of possible French compensation pursuant to war damage legislation but also in terms of the German BRÜG Act.

On the other hand, consultation of the archives of the United Jewish Welfare Fund (FSJU), which have the important advantage of consisting of documents written in French, was quickly abandoned because the information they contained referred only to certain victims.

The CIVS therefore **attempted to form a partnership with the German authorities** in order to access the German archives. Following negotiations, an international administrative agreement was signed in 2000 between the Commission and the Federal Finance Ministry. This agreement authorizes France to routinely consult the archives of the Berlin *Oberfinanzdirektion* (Finance Directorate of Berlin – **OFD**) and, when necessary, to obtain photocopies of documents needed to process the compensation files. It was also at that time that access was granted to the archives of the *Wiedergutmachungsämter* (Restitution Offices – **WGA**) in Berlin.

These two administrations are responsible for enforcing the BRÜG Act for spoliations that occurred outside the territory of the *Reich*. Both sets of archives are maintained in Berlin, the first by the *Bundesamt für zentrale Dienste und offene Vermögensfragen* (Federal Office for Central Services and Unresolved Property Issues – **BADV**), and the second by the *Landesarchiv* of Berlin (Berlin Archives). The amount of compensation thus uncovered is substantial, since the BRÜG Act does not stipulate any nationality condition for spoliations that occurred in France, unlike our own war damage legislation.

Under this partnership, **the experience and expertise acquired by the Germans in the area of restitution and compensation has been very educational for the Commission members.**

As demonstrated by a delegation's visit to the CIVS in 2002, the German stakeholders are interested in **what makes France unique** in terms of compensation: an independent authority with an utterly pragmatic approach, which, in certain matters related to the restitution of works of art, seems in their eyes to guarantee greater fairness.

② SPECIFIC ROLE

Since its creation in September 1999, the Office has performed two key functions:

⇒ **To identify any compensation awarded previously under the BRÜG Act of 1957 and, where applicable, under the French War Damages Act of 1946.** Many of the compensation files under the latter act have been destroyed. However, compensation awarded under the BRÜG Act was calculated based on the prior compensation payments. Research in the German archives therefore gives the CIVS a more complete and useful picture of the sums already paid by France.

⇒ **To extract from the German archives any evidence or other documents that could shed light on the circumstances and extent of the alleged spoliations** since most claimants are no longer able to produce these documents. The diversity of the information contained in the files (original materials, personal accounts, detailed inventories, notarial deeds, etc.) enables the magistrate-*rapporteurs* and the Commission's decision-making members to access the information they need to form their opinion and allows claimants to reconstruct entire chapters of their family history.

As mentioned above, access to the archives of the two main administrations responsible for enforcing the BRÜG Act ensures the thoroughness of the research. The archives of the WGA contain the claims for compensation that come under its territorial jurisdiction, including those withdrawn or denied without additional examination because of a formal defect or for any other reason not subject to dispute. Files in this category are closed either through an agreement setting the compensation amount or through a court decision settling the dispute. The archives of the OFD, although less complete, correspond in part to those of the WGA, but differ in that the compensation files include the payment decisions for the compensation awarded. They also include all claims for compensation filed for "special hardships".

These very extensive archives are fully maintained and inventoried. More than one million files have been set up by the OFD, some 40,000 of which pertain to France. Moreover, since the Office was created, **the rate of positive responses for research in the OFD's archives has reached nearly 58%.**

They also work hand-in-hand, as evidenced by the so-called "cross-checking" process implemented in conjunction with the BADV and the Berlin *Landesarchiv*. This process makes it possible to detect claims that were denied without being sent to the OFD or to pick out files not identified by the BADV because of spelling variations affecting the reliability of the searches.

Finally, the Office also has occasion to contact other archive centers located throughout Germany: federal archives of Koblenz, archives of the Federal Foreign Affairs Ministry, archives of the Restitution Offices of other *Länder*, etc., in order to carry out more targeted research, such as in cases of spoliations of works of art.

③ THE RELATED COMMUNICATION AND PUBLIC AWARENESS ACTIVITIES

The aim of the so-called "related" activities is to **make the public aware of the existence and work of the CIVS abroad** and, in return, to observe political and legal developments in the field of compensation and restitution outside France. These activities include, among other things, participating in seminars and maintaining regular contact with our partners and those who "count" in these areas.

In this respect, 2006 was a fruitful year. The first publication of the annual activity report in German, the publication of a lengthy interview with the Director in a well-known scientific journal (*Osteuropa*), and the launch of a German version of the website went a long way toward publicizing the work of the Commission. The controversial restitution of a Kirchner painting by the Berlin *Land* sparked a very important discussion among prominent

German figures, the Chairman and the Director of the CIVS during their most recent visit to Berlin.

The Director and the Manager of the CIVS Office participated in two international conferences, one organized by the Minister of State in Charge of Cultural Affairs and the Media held in Bonn in October, and the other by the Minister of Culture of the Russian Federation held in Moscow on the identification and restitution of works of art that disappeared during the second world war and on methods of preserving cultural heritage. For his part, Mr. Jean-Pierre Bady, decision-making member of the Commission, traveled to London to attend a third conference that dealt specifically with “Provenance Research, Restitution and Compensation of Works of Art Removed During World War II”.

Lastly, ongoing relations are maintained with historians, legal experts and managers of other compensation programs.

Based on the various contacts thus established, it appears that, **thanks to its originality**, the French system of compensation of material and bank-related spoiliations is attracting interest. The overall reparation policy implemented by France is inspiring respect and admiration. The very presence of an office in Berlin demonstrates **uniqueness** and attests to our country’s firm commitment.

In an enlarged Europe, where reparation policies appear to be on the increase, the French model is gaining attention and giving rise to new alliances.

④ STRUCTURE AND RESOURCES

The Office has a relatively streamlined structure. A team supervised by Laurence Beyer is responsible for its operations. The **diversity of backgrounds and statuses** of its staff (local recruits and international volunteers) is matched by a **cultural mix**, with no less than three nationalities represented.

Since its creation, it has reported to the offices of the French Embassy in Germany. Its personnel and operating expenses are financed with funds allocated each year by the Prime Minister’s office to the French Ambassador acting as secondary authorizing officer.

After setting up operations at the French Embassy, the Office moved to the former premises of the French Consulate General in Berlin in 2004. These remodeled premises were opened in March 2005. The area made available to the CIVS accommodates workstations and archives on the same functional platform. The influx of research requests, which was nearly 1,000 per month, soon made it necessary to hire sufficient staff and develop processing procedures, especially in the area of data processing.

The distinctive nature of the work of the Office has highlighted the difficulty in recruiting staff members with the specific skills – particularly language skills – needed to achieve a **monthly production rate of 180 reports**. The solution found was to recruit part-time employees of German, French, Italian and other nationalities who were given appropriate training. From among these individuals, a “core” team of full-time specialized writers was created to whom additional management and communication functions were assigned. Since November 2000, these staff members include **international volunteers** made available to the CIVS by the *Ministère des Affaires Étrangères* (MAE - French Foreign Affairs Ministry).

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ESSENTIAL YET DIFFICULT INVESTIGATION IN THE INTEREST OF STRONGER PROCEDURES

① PROCEDURES BUILT ON EXPERIENCE GAINED

A/ Investigation

Without reiterating the details that have already been provided in previous reports, it should be recalled that *rapporteurs* perform an essential function in the reparation process entrusted to the CIVS.

It is their duty, based on the archive documents found and information obtained from claimants, to give the Commission the data it needs to assess the scope of the spoliation committed, to determine the value of the resulting reparations, and to decide which individuals may claim them.

Their task, which is not made any easier by the amount of time that has passed since the Occupation and the fact that families have scattered, proves to be particularly difficult and cumbersome when the spoliation concerned large businesses and companies or works of art.

The *rapporteur's* task goes beyond the accounting requirements of compensation in that it often allows them to give claimants information about a painful part of their family's history.

The *rapporteurs* – 31 in number – are magistrates belonging to the three hierarchies of courts. For those still in practice, which is the majority, it is not always easy to balance their duties with the requirements of the Commission, to which they dedicate two days per week.

During the year, seven *rapporteurs*/honorary magistrates agreed to serve an additional day in order to improve service continuity and handle any urgent matters.

B/ Procedures developed by the Commission's decision-making members who have varied experience

a. General principles

The intention of the Commission was to follow the Decree of September 10, 1999 to the letter, as elucidated by the report to the Prime Minister.

“Drawing on the work of Mr. Matteoli's working party”, it seeks to make an appropriate gesture to victims of spoliation, i.e. to persons or their heirs who were deprived of a material (movable property or real estate) or financial asset as a result of the anti-Semitic laws adopted during the Occupation, either by the occupying power or by the Vichy authorities.

Thus, each of three conditions must be met with regards to the spoliation claimed.

First of all, **the loss must be related to the anti-Semitic laws**, which excludes war damages (e.g. from bombings), requisitioning, the consequences of violations of laws pertaining to foreign currency or the movement of cash, or the consequences of criminal acts such as armed holdups unrelated to the application of the anti-Semitic laws.

Secondly, there must have been **material damage**. Where applicable, a non-economic loss resulting from being the orphan of a deportee qualifies under the Decree of July 13, 2000.

Finally, **the loss must be attributable to the French authorities or the occupying powers on French or assimilated territory** (e.g. Tunisia), including Alsace-Moselle, annexed during the war. Algeria and Tunisia pose specific problems, first of all because spoliations did not occur systematically, as in metropolitan France, and also because archives concerning them are very incomplete. Spoliations that occurred in Poland, Germany, Austria, Rumania, etc. are, however, excluded.

There are also limits: no provision is made for **loss of income or earnings** (e.g. loss of profits, rental payments not received, loss of earnings resulting from the inability to practice a profession), **costs arising from war-caused relocation** (e.g. furniture storage costs) and, more generally, costs incurred to stay alive while in hiding. **The fact of being poverty-stricken** is not considered forced dispossession within the meaning of the Decree of September 10, 1999. Similarly, the Commission takes the view that **a loss resulting from work stoppage** does not arise from an act of theft, through violence, fraud or misuse of power, of a material asset belonging to another person, which the term “spoliation” implies. **However, persons who fled the anti-Semitic persecutions and whose vacant apartments were looted are compensated.**

The Commission is not required to comply with the strict rules of law that would lead to the denial of nearly every claim due to the expiration of the time limits for remedy.

Although the Commission is not a court, it strives to **adhere to the *inter-partes* principle** during both the investigation, the hearing and its closed deliberations, which are attended neither by the Government Commissioner nor by the *rapporteur*.

In the interest of fairness toward those who have already been compensated and do not submit new claims, **compensation already awarded cannot be reassessed** (reparation by France for war damages or compensation by Germany under the BRÜG Act). It can, however, be reassessed in case of glaring errors (error in the family composition or the composition of the apartment, as shown by documents in the file or evidentiary documents produced by the heirs) or an arbitrary limit on the amount of compensation paid (e.g. reduction for “special hardships” under the BRÜG Act stemming from the late filing of claims and resulting in a recalculation within the limit of this reduction – the adjustment factor used in 2006 is 1.635 for 1 DM in the 1960s).

The presence of payment orders in the file is regarded as sufficient evidence that the payment was made.

Moreover, given the amount of time that has elapsed since the causes of the loss, the Commission takes into account the difficulty in providing evidence and presumes the **claimants’ *bona fides*** for common and plausible losses.

The value of the compensation is determined based on the loss suffered in light of the living standards prevailing at the time, whether the assessment pertains to spoliation of an automobile, movable property or equipment in a tradesman’s workshop. **Compensation is calculated based on the potential replacement cost** of the looted items **at the time of loss** (generally on the basis of certain *payment scales* created with respect to war damages). This amount is then adjusted based on the adjustment factors established by the INSEE.

The Commission acknowledges the possibility of receiving reimbursement of costs necessarily incurred in instituting legal proceedings, at the time of the Liberation, for the restitution of looted property (apartment or business), but not reimbursement of any sums paid in connection with an out-of-court settlement.

Given the difficulty in drawing up a complete list of heirs with certainty, the Commission, in its recommendations, stipulates that recipients of compensation payments should be personally responsible for sharing the compensation with other heirs who make themselves known. It also sets aside the portion of any known or unknown heirs who have not been a party to a claim submitted to it.

b. Determining the eligibility of heirs

Application of the rules of ordinary law, as provided by the report to the Prime Minister, means that the **rules of lineal inheritance without limits and in the collateral line** (brothers and sisters, aunts and uncles, nieces and nephews) should be applied and that the implications of the existence of a **general devisee and legatee**, named in a last will and testament, should be taken into account.

In the latter case, however, the Commission believes that it cannot consider awarding compensation under the terms of the Decree of September 10, 1999 solely on the basis of the existence of a purely legal relationship. The Commission has taken the view that the letter and the spirit of the **decree** imply that compensation is payable to those claimants who, as members of the “family” through a blood and/or cohabitation relationship, personally suffered the estate-related consequences of spoliation.

With regard to the rights of the surviving spouse, the Commission applies the rules of French law concerning matrimonial regime and inheritance based on the amendments made in 2002. The Commission does, however, agree to award the entire compensation to the surviving spouse if the children formally waive their right to their share.

With regard to collateral lines, it goes without saying that it is not easy to determine who these individuals are more than a half century after the tragic events. Moreover, the Commission may set aside portions when it has indications that suggest the existence of heirs whose deaths cannot be regarded as certain. The Commission also applies the rules of succession by which, except between spouses, the relationship does not confer any right of inheritance.

c. Methods used for assessing losses

While adopting a “pragmatic approach” in line with the report to the Prime Minister, the Commission has found it necessary to draw up a number of guidelines aimed at helping *rapporteurs* better formulate their proposals.

With regard to the **looting of apartments**, buildings are classified by reference to the Act of 1948 regarding residential rent.

As far as the composition of the apartment is concerned, the kitchen is regarded as a living quarter given the small size of certain apartments and the family composition. The Commission does not accept the notion that certain rooms may benefit from cumulative compensation, both as living quarters and as rooms used as workshops. However, it does accept that a few items of work-related equipment, such as a sewing machine, may have been set up in a room used as a living quarter.

To determine the value of compensation, the Commission refers to the adjusted lump-sum amounts used in accordance with the BRÜG Act or bases its calculations on an insurance policy in force at the time, the values of which are also adjusted. It accepts the principle that supplemental compensation may be payable over and above compensation paid for war damages alone, while at the same time reserving the right to correct any calculation errors made at the time. The Commission holds all the more firmly to this position in order to make up for the fact that the government blatantly failed to make the compensation payments it should have. At the time, an order of priority was established based on victims’ age, and some victims never actually received the compensation promised to them, given that there is no document certifying the payment on the settlement sheets. The supplemental payment, over and above that provided for in war damage legislation, is made in the amount indicated in the payment scales under the BRÜG Act. Moreover, despite compensation for war damages and payment made under the BRÜG Act, victims or their heirs may still apply for supplemental compensation if the total amount of compensation already received is shown to be less than the proceeds of an insurance policy.

It should be noted that the payment scales used under the BRÜG Act include a percentage for the value of “luxury goods” in each category, which means that there are generally no grounds for awarding supplemental compensation for valuables. However, the Commission has been faced with the difficult problem of statements related to the theft of

jewelry and valuables (gold ingots and coins, foreign currency, etc.). At times, in light of the victims' wealth and the circumstances in which the spoliation of other property occurred, the Commission agrees to recommend that compensation be awarded, with the amount calculated on the basis of fairness.

The Commission is mindful of the fact that **housing used for refuge** could have been looted at the time of the arrest of a family member, or when information in the file suggests that the family was forced to flee this housing to avoid being rounded up. However, the sum allocated is less given that the movable property seized was certainly less important for this refuge housing than for the main residence, which itself had been abandoned and for which compensation had already been paid.

With regard to **jewelry**, commonly worn items were taken into account under the BRÜG Act, with very large lump-sum payments applicable to "luxury goods" (based on the classification of the apartment). In some cases, based on information contained in the file, such as the person's profession, supplemental compensation may be awarded for jewelry of very high value.

With regard to **work-related losses** pertaining to business, commercial, industrial or professional activities, the Commission did not believe that it could regard as compensable losses those losses related to a person being forbidden from exercising his/her business, profession or trade, except where the loss resulted from conditions under which the person concerned was forced to dispose of a work-related asset (e.g. sale of a medical practice), i.e. when this constitutes spoliation of the estate.

The Commission awards compensation for inventories of merchandise (raw materials and finished products), material and equipment and fixtures seized, damaged or destroyed.

It awards compensation for the loss of intangible items (right to renew a lease) when the Aryanization of a business resulted in its liquidation. However, the Commission also takes into account any post-war resumption of the business, as well as the answers provided in the questionnaire sent by the Reparations Unit headed by Professor Terroine. In some cases, when a business was liquidated as a result of Aryanization and reactivated at the same address under the same trade name, the Commission takes the position that the value of all the items comprising the Aryanized business had not disappeared entirely. The Commission does, however, take into account the capital loss resulting from the looting of a business that the owner sold, in its existing state, at the time of the Liberation.

The Commission also takes into account information contained in statements filed with the *Office des Biens et Intérêts Privés* (OBIP – Office for Personal Property and Interests) which did not result in compensation.

It does not award compensation for loss of profits or loss of income or earnings. However, it does approve the reimbursement of emoluments received by the temporary administrator, as well as any rent that was not paid back to the owners.

To determine the value of tradesmen's workshops located in an apartment, it applies a lump sum that may vary according to the size of the workshop (number of machines and other material and equipment and number of workers) and the type of activity (tailor shop, leather goods shop, furrier's shop, etc.). If the tradesman was deported, the lump sum is automatically adjusted by 20% to take into account the loss in value of the business as a result of its owner's disappearance.

For other businesses, the Commission takes into account information contained in the Aryanization files (balance sheets showing sales revenue, inventories and value of equipment, as well as funds held in cash, bank accounts or postal accounts). In most cases, however, it adjusts the amounts appearing in the temporary administrators' reports when the figures shown on the balance sheets prior to their takeover of the business indicate that these amounts were blatantly and voluntarily under-estimated. The Commission also takes into consideration the forced nature of certain sales, which may have been under-estimated or completed under specific conditions, as in the case of auctions. Where relevant, it applies the payment scales used in accordance with war damage legislation. If there is no indication as to the size of the inventories that existed when the temporary administrator took over the business, the Commission takes the view that the inventory represented approximately three

months of sales revenue, based on the customary practice of most of the businesses in question.

The Commission includes in the compensation amount all money and bank and postal funds appearing on the balance sheet at the time the temporary administrators took over the business, if these figures are higher than those indicated at the time the business was liquidated. These latter figures may also be used provided the Commission did not believe that it needed to reconstruct the value of the inventories and equipment at the time the administrator took over the business.

The *Caisse des Dépôts et Consignations* (C.D.C. – State bank handling official deposits) is required to return sums that it may have kept in its possession as a consequence of deposits resulting from liquidations of Aryanized property. The Government is responsible for the sums collected under the billion franc fine that benefited the General Commissariat for Jewish Questions (CGQJ).

To determine the value of business assets, the Commission also refers to information contained in standard textbooks and information provided by trade associations.

With regard to **valuables confiscated at the time of internment in camps in France**, it is accepted that these valuables were not accurately inventoried in the police records of searches, when such records existed. Based on the work of the Matteoli working party, the Commission has taken the view that the average value of assets held was 3,000 francs (at that time), which is adjusted to 5,000 francs and therefore €800 based on the average adjustment factor during the dark years. The Commission also recommends that the Government pay this sum of €800, minus the sums that were identified individually in said search records and deposited at the C.D.C., sums which have undoubtedly lapsed and, for all practical purposes, not been transferred to the Treasury. These sums will be deducted from the C.D.C. account, which is part of Fund A set up under the Washington Agreement on bank assets.

According to the work of the INSEE, the cash values were adjusted in 2006 based on a factor of €0.299 for one 1941 franc, and material assets (merchandise, material and equipment) were adjusted based on a factor of €0.442 in relation to 1938. A new adjustment is planned for 2007.

With regard to **veterans' pensions** not received during the Occupation, an inquiry conducted at the Ministry of Defense revealed that no text abolished or even suspended pensions of Jewish veterans. The same was true of disability pensions. For each file that includes this type of problem, the Commission determines whether the person was, given the circumstances, actually able to receive, at the time of the Liberation, the sums to which he was entitled.

With regard to **insurance policies**, up to now the Commission has, for all practical purposes, only needed to deal with policies taken out with the C.D.C. through the *Caisse Nationale des Retraites pour la Vieillesse* (C.N.R.V. – former national old-age and retirement fund). For other policies, such as life insurance policies, it collaborates with the International Commission on Holocaust Era Insurance Claims (ICHEIC) and the *Fédération Française des Sociétés d'Assurance* (FFSA – French Insurance Companies Federation).

In most cases, these were provident-birth policies that had been underwritten, for a nominal amount of 125 francs (at that time), by the *Conseil Général de la Seine* upon the birth of a child and for which no subsequent additional payment was made by the beneficiary. Moreover, based on the rare files that were kept, the *Caisse* assessed the amount of compensation corresponding to the proceeds due on the maturity date of the policy (usually the beneficiary's 60th birthday) as being equal to the average sum payable under policies of the same category. These policies were not adjusted in 2006 since this method would have been disadvantageous to victims given the inflation that occurred in the 1950s and 60s. As a result, these amounts are barely more than a few euros. For beneficiaries who died after being deported, the Commission decided to award compensation in the amount of €1,000. This compensation is paid by the C.D.C. out of its own funds and not out of the funds allocated to the compensation of bank assets.

With regard to an **insurance-based savings plan** taken out with an insurance company prior to the war, the Commission considered the fact that payments could not

continue to be made to this policy during the Occupation as a result of the anti-Semitic laws and awarded compensation in the amount of €1,000, payable by the Government.

The task of issuing **recommendations** based on the above practices is assumed by the Commission's **decision-making members**, a body which can meet as a sub-commission or in a plenary session. Cases that need to be processed quickly or do not pose any special problems are examined by the Chairman ruling alone.

There are **10 decision-making members** of the Commission who are appointed for three years by a decree of the Prime Minister based on their **high level of expertise**, particularly in the fields of law, economics, history and ethics, and on their **in-depth knowledge of the context** in which the spoliations occurred.

Pursuant to Article 3 of the Decree of September 10, 1999, as amended, by which the CIVS was founded, the Commission's decision-making members include two Magistrates from the *Cour de Cassation* (Highest Appeals Court), two Members of the *Conseil d'État* (Highest Administrative Court), two Senior Members of the *Cour des Comptes* (Auditor General's department), two university professors and two qualified experts.

The Commission does not focus its efforts only on adapting its practices. In addition to concerns related to necessary financial compensation, it has also made a commitment to establishing a relationship of trust and closeness with claimants.

② PERSONALIZED GUIDANCE FOR CLAIMANTS

A/ The "Psychological Support" Team

As of July 2006, an agent meets with each claimant individually prior to his or her hearing. This support helps those concerned understand the conduct of the sessions in which they are participating and is designed to reassure them as to the ways in which the Commission's tasks are handled. At this meeting, they receive precise information regarding preparation of their file and the conditions under which compensation is awarded.

This meeting is also an opportunity for claimants to raise any concerns they may have or to ask questions that might help them clear up their complaints. Lastly, they are often reminded of the research methods used and the investigations carried out by the CIVS to support their claims.

B/ Consultation of the files

The law of July 17, 1978 concerns measures aimed at improving relations between the administration and the public. It stipulates the conditions governing unrestricted access to administrative documents.

In this respect, a **single intermediary** is responsible for receiving claimants who wish to consult documents in their files. Claimants may request photocopies for their personal archives or take notes in order to become better acquainted with their family background or learn more about their ancestors' history.

This procedure requires adherence to two rules:

- ⇒ **Proof of the identity** of the persons concerned,
- ⇒ **Presentation of a document attesting to the power to represent** the holders of the files, for all representatives other than attorneys.

The Commission continues to demonstrate that its role goes beyond that of fulfilling its duty to award compensation. It must also assume a delicate and often financially cumbersome, yet quantitatively limited, responsibility, namely recovery of works of art.

③ BETWEEN RESTITUTION AND COMPENSATION: THE DIFFICULT QUESTION OF WORKS OF ART

A/ A brief historical review

The spoliation of works of art in France was considerable during the last war. The intervention staff of Alfred Rosenberg, the Reich's officer for the occupied territories (*Einsatzstab Reichsleiter Rosenberg für die Besetzten Gebiete* – ERR), transferred more than 200 collections to Germany (including nearly 22,000 artifacts, 11,000 of which were paintings, 2,500 furniture and 500 tapestries and embroidery). The “action meubles” measures authorized the looting of 38,000 apartments along with their furnishings. The artifacts contained in the apartments were sent to the ERR by the *Dienststelle Westen*. During this period, a large number of items were sold under duress on the Paris market and transferred to Germany. In total, owners were stripped of more than 100,000 artifacts and works of art and millions of books in the looting.

After the war, the French administration was able to return and award compensation for some of these items. Between 1944 and 1949, the *Commission de récupération artistique* (Commission for the Recovery of Works of Art) returned more than 45,000 items to their owners and ordered the *Administration des Domaines* (Land Office) to sell more than 14,000 items whose owners had not been identified. Between 1949 and 1953, the *Commission des choix* (Commission for Choices) held 2,143 works (about 10% of which were looted works) and, after giving them the name “MNR” (*Musées Nationaux Récupération*/National Museums – Recoveries register), entrusted them to the national museums for safekeeping. Attempts were made to identify their owners through exhibits sponsored by the *Direction des Musées de France* (DMF – Directorate of French Museums). New efforts were made along these lines in the 1990s. Since 1951, 83 works of art have been returned. Finally, in some cases, compensation was awarded for valuable furniture under the French War Damages Act.

For its part, the German federal government paid large amounts of compensation to victims and their heirs under the BRÜG Act (according to two plans, one in 1957 and the other in 1964, the latter of which was more favorable to claimants).

Lastly, it should be recalled that, following French President Jacques Chirac's declaration on July 16, 1995, a working party headed by Mr. Jean Matteoli was created by the French government to study in detail, between 1997 and 2000, the various spoliations to which Jews in France fell victim during the Occupation. A special report dealt with the looting of art and examined the status of the 2,000 works entrusted to the national museums.

B/ The role of the CIVS: method, doctrine and figures

Although the CIVS plays a more limited role in the area of works of art than it does in terms of compensation of other property and bank accounts, this role is nonetheless significant. The number of cultural files registered as of December 31, 2006 is approximately 1.5% of the total files.

a. Method

For works of art, extensive preparatory work is carried out. For property declared in the claim having a certain value, this work involves research at the OBIP, which is part of the MAE and maintains 900 boxes of archives, the *Direction des Archives* (Archives Directorate), the *Direction des Musées de France* (Directorate of French Museums), and the *Musée National d'Art Moderne* (National Modern Art Museum) (Centre Georges Pompidou – Pompidou Center) at the Culture Ministry.

The Commission renders a **fair ruling** based on the attached documents, personal accounts dating back to the time of the events, and the presence of the work in a *catalogue raisonné* or inventory. It may rule in the absence of any prior judicial appeal.

It issues four types of recommendations:

⇒ **restitution** (in the case of MNR works): this is what happened with the works by Vernet ("Marine", "Clair de Lune"), Courtois ("Bataille contre les Turcs") and Picasso ("Tête de femme");

⇒ **full compensation or the compensation supplements to the BRÜG Act** (reinstatement of the 50% reduction adopted by the Federal Republic of Germany);

⇒ **denial**;

⇒ **an agreement** was signed by the Prime Minister, following mediation, regarding Braque's "L'Homme à la Guitare" painting: the work remains at the *Musée National d'Art Moderne* but compensation is awarded to the family.

b. The key elements of the Commission's doctrine

For acceptance in the absence of irrefutable evidence, sufficient presumptions that can be made (lifestyle, cultural and intellectual milieu, etc.), the claimant's *bona fides*, consistency of the claim and the amount of time that has elapsed since the dispossession, absence of other claims.

For denial, total lack of plausibility, previous compensation under the BRÜG Act for luxury goods.

If the work cannot be returned, the Commission sets the value at the time of spoliation, estimated at the adjusted value based on changes in the general price index, as evidenced by auction sales or private sales at the time of the spoliation or at the end of the war, and the opinion of experts or museum curators (as a special exception to their professional status). The compensation is then approved based on this estimated value at the time.

c. Figures as of December 31, 2006

⇒ 107 files examined by the Commission (often at a plenary session),

⇒ 71 compensation payments approved, including 10 in addition to those under the BRÜG Act,

⇒ 34 denials,

⇒ 2 restitutions.

Although the files are few in number, the total amount of the compensation paid is high (€11.6 million), not including the mediation for the Braque painting.

The activity of the CIVS does not replace the French administration's ongoing restitution efforts (Ministries of Culture and Communication, Foreign Affairs and Justice), in accordance with international norms (Washington Recommendation of 1999 under the guidance of UNESCO/ICOM and the Council of Europe's Vilnius Declaration of 1999). In 2006, representatives of the CIVS participated in various international conferences on compensation and restitutions (London, Bonn, Moscow and Berlin).

Thus, the work of the Commission places it at the intersection of three interrelated paths: compensation, remembrance and history.

④ FROM FINANCIAL REPARATION TO PRESERVATION OF THE MEMORY OF SPOLIATION: THE HISTORY COMMITTEE

The process of setting up a **History Committee**, announced in 2005, began to take shape over the course of the previous year. This project has two objectives.

⇒ The first: **to preserve the memory of spoliation of material assets**, one of the components of anti-Jewish persecution. Aside from the period covering the Occupation and the Vichy regime, the study will also discuss the effects of these spoliations during the post-war and "reconstruction" years.

⇒ The second: **to report on the activities of the CIVS and give an assessment of them.** In this respect, several publications are planned. An initial volume will comprise a **history of the CIVS**, starting with preparation of the decree of 1999. This study will be set back in the French and international context of the 1990-2000 period and will include a statistical assessment along with comments. In addition, it will draw on a number of archival sources as well as the accounts of various players.

In parallel to this, preparation of a second publication could begin. Following an accurate historical introduction, it will present individual and family stories constructed on the basis of audio or video interviews. These interviews will be cross-referenced with public or private archive documents and, where appropriate, with personal documents subject to the prior consent of the persons concerned. The main objective will be to examine the topic from a new perspective that departs from the traditional framework of oral inquiries on the fate of France's Jews. To this end, **the restitutions and compensation claimed by the families between the immediate post-war period and the present day will be discussed and an assessment of these efforts will be given.** An examination of this report will underlie an *a priori* inquiry into the French government's effort at remembrance and reparation vis-à-vis the Jews on its soil.

A third and final set of publications will consist of the proceedings of an international symposium organized in conjunction with the IHTP/CNRS (Institute of History of Time Present/National Center for Scientific Research) and scheduled for 2008. The symposium will focus on a **comparison of the compensation commissions** set up in various countries and, in addition to the members of these institutions, will be attended by historians, political scientists, sociologists and outside participants who are familiar with their work.

The intention of this History Committee is not to undertake extensive studies on areas already covered by a large number of researchers, but rather to provide the opportunity to compare their analyses and to view them in relation to concrete experiences.

Given the status of the CIVS and the specific nature of its archives, the Prime Minister's office expressed a desire to have this Committee **institutionalized**. It is therefore in the process of being created by a decree of the Prime Minister, who will appoint its members and outline its functions.

The History Committee could be structured as follows:

⇒ **a steering committee** made up of competent individuals based on their expertise or position would be responsible for ongoing oversight of the progress of the work,

⇒ **a monitoring team** comprised of administrative stakeholders and historians that would meet on a more regular basis would be responsible for the physical, day-to-day operations,

⇒ **a scientific team** supervised by **Ms. Anne Grynberg**, assigned to the Committee by the National Education Ministry, would lead the research activities.

Various institutions would take part in its creation:

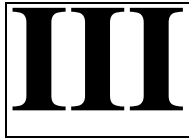
⇒ **the Foundation for the Memory of the Holocaust (FMS)**, as well as **Barclays Bank**, which would finance the researchers' salaries, and the **Holocaust Museum** in Washington, which would be responsible for producing video recordings of personal accounts,

⇒ **the IHTP**, which would be involved in organizing symposiums,

⇒ the **Memorial to the Unknown Jewish Martyr**, from which the History Committee would receive administrative, financial and material backing.

The decree concerning the creation of the committee is expected to be published in early 2007.

The History Committee, the primary functions of which are outlined above, will carry out its responsibilities even more successfully given that its work is part of an international framework in which the Commission is bringing to the public's awareness the policies embraced by the French Government.



INTERNATIONAL COMMITMENTS OF THE CIVS

① THE WASHINGTON AGREEMENT: AN AGREEMENT THAT IS COMING TO AN END

A/ Amendments to the Agreement: four new measures

The year 2006 was marked by the signing on February 21 of an agreement in full and final settlement by the last exchange of diplomatic letters between the French and US governments and the plaintiffs' attorneys. This exchange, which amends the original Washington Agreement, is a result of the negotiations that began on October 21, 2005 and are mentioned in the previous activity report.

In response to the attorneys' and plaintiffs' requests, **four new measures** were taken to significantly increase the use of the financial resources of **Fund B** and the escrow account (**Fund A**).

The parties decided in favor of **a third round of compensation** drawn from Fund B (including initial funds, interest and foreign exchange effects). A lump-sum amount of **USD 1,000** is awarded to all claimants who have already received or will receive compensation from **Fund A or from the government's budget for any proven account for which the adjusted balance is less than USD 3,000**.

In addition, **the postponement of the foreclosure date of January 18, 2003 to February 2, 2005 for Fund B** allows claimants who sent their bank-related claims after January 18, 2003 to receive, based on an affidavit, a lump sum of USD 3,000 drawn from Fund B (including the first and second rounds).

The parties also agreed to **award USD 15,000, drawn from the escrow account (Fund A), to direct victims – the "survivors" – of the Holocaust period born before 1945 who are still living, resided in France during the Occupation and are holders of a proven account or have completed an affidavit and have received compensation for their own bank assets.**

The negotiators also agreed to award **supplemental compensation in an amount of up to USD 10,000 from the escrow account (Fund A)** to recipients of compensation paid for any **proven account for which the amount is between USD 3,000 and USD 10,000**. This measure includes both **personal accounts** and **business accounts** managed by temporary administrators.

Implementation of these four measures took effect on March 22, 2006¹ and is applied retroactively in the interest of fairness.

The CIVS has re-examined all the files affected by this new exchange, with the exception of those included in the third round of compensation for which USD 1,000 is awarded, and those for which the supplemental compensation in an amount of up to USD 10,000 is awarded for personal accounts over **USD 3,000**, all of which are managed by the FSJU.

Thus, as of December 31, 2006:

⇒ **A compensation payment of up to USD 3,000 was made** for 498 files representing **559 affidavits** as a result of the **postponement of the foreclosure date** to February 2, 2005,

⇒ **255 people** received the lump sum of **USD 15,000** awarded to **direct victims of the Holocaust**, as defined by the Agreement,

¹ Decree 2006-371 published in the Official Gazette.

- ⇒ **Holders of 76 business accounts** related to 76 files for which compensation was previously awarded from the government's budget **received supplemental compensation in an amount of up to USD 10,000**,
- ⇒ **For information purposes**, as of November 30, 2006, the FSJU had made **3,316** compensation payments in the amount of **USD 1,000 under the third round**.

As a result of the **implementation of these four measures** and the **examination of 7,100 bank-related files by the Commission as of December 31, 2006**, use of the bank funds rose as follows:

- ⇒ **Fund B: €21,642,999**,
- ⇒ **Fund A: €9,803,467**.

B/ The last Supervisory Board meeting

The members of this Board met on December 21, 2006 for an 11th session at the MAE. **The discussions concerned the future of Fund B and the mandate entrusted to the Board.**

Given the amount of work carried out to implement the abovementioned Agreement, the USD 22,500,000 comprising the initial resources of Fund B as well as a large portion of the interest payment has been used up. **As of December 31, 2006, the interest balance and the realized gains on currency exchange, i.e. USD 3,935,676, remain available and, in total, will cover the payment of the bank-related files still under review.**

Although it is difficult to accurately estimate the amount of time still needed to use up all the resources of Fund B, it was however noted that management of this very small balance no longer required formal continuation of the Board's activity. It was also agreed that this management would henceforth be provided by the MAE through the issuance to the American side of reports prepared by the CIVS and the FSJU on May 15 and November 15, 2007. For 2008, these reports will be issued semi-annually.

It was pointed out that **once Fund B is closed, all compensation due to come out of this fund will be drawn from the escrow account (Fund A)** – and first from the interest – with this fund replacing Fund B as mentioned, based on the banks' consent, in the joint letter to the exchange of diplomatic letters of February 21, 2006. It was acknowledged that this replacement of Fund B by the escrow account (Fund A) also applied to the deduction of the sums needed for the operation of the FSJU and the CDC, previously charged against Fund B, until completion of the Commission's work. It is worth noting that, as of December 22, 2006, **the balance of the escrow account (Fund A) was reduced to USD 10,000,000** pursuant to the commitments made by the parties on February 21, 2006.

However, the Board expressed the hope that, **if Fund B has an available balance after the CIVS ceases to exist**, this entire balance would be paid to the victims of the Holocaust or their heirs, thereby preserving the interests of those victims whose files had not been fully processed by that time.

In addition, the Board noted that **there is no deadline for filing bank-related claims with the Commission which involve compensation from the escrow account (Fund A) with or without supplemental compensation from Fund B.**

This final meeting of the Fund B Supervisory Board marked an end to six years of Franco-American negotiations that resulted in 11 meetings and four exchanges of diplomatic letters interpreting or amending the Washington Agreement concerning the conditions governing the compensation of bank-related claims submitted to the CIVS.

② THE WORK UNDERTAKEN ABROAD: THE UNITED STATES AND ISRAEL

In keeping with its efforts to form a collaboration with foreign claimants, **the Commission held meetings abroad on two occasions in 2006, once in New York (United States) and once in Tel-Aviv (Israel).**

During these trips, **the CIVS met not only with claimants but also with public figures and local authorities.** In the United States for instance, the members of the delegation met with those in charge of the Holocaust Claim Processing Office (HCPO) in New York and with representatives of the United Jewish Appeal – UJA. In Israel, the members of the delegation met with a number of public figures, including Mr. Edmond Palacci, Vice-President of the ALOUMIM Association, and Professor Simon Epstein of the Vidal Sassoon International Center for the Study of Anti-Semitism.

It should be noted that, at the end of its sixth year of existence, the work undertaken abroad by the CIVS continues to attract the interest of both the local and general press². Through its actions, the Commission has developed a network of contacts that today consists of **nearly 1,500 people** who receive the annual activity reports and memoranda and documents produced by the Commission and distributed in four languages: French, English, Hebrew and German.

A/ Greater openness toward the claimant community

a. A new orientation: more willingness to listen to claimants and their personal stories

During trips abroad, special care has been taken to meet with claimants in order to **put them at ease**. To ensure that they enjoy the same treatment as those who visit the Commission's headquarters in Paris, an agent was specially appointed to receive claimants and listen to their concerns. By setting up this type of structure, attending a meeting is less stressful for those who still experience some apprehension or anxiety.

In addition, the use of interpreters has made communication between non-French speaking claimants and the Commission's decision-making members easier. This **interpreting unit** has also enabled claimants to participate in exchanges more easily and better understand the report read by the *rapporteur* recounting the circumstances of the spoliation to which they themselves or their families fell victim.

American and Israeli claimants have expressed how pleased they are to have the Commission come to them and to become better acquainted with it. In addition to the opportunity given to them to tell their story, they are touched by these gestures of sympathy and respect made by France, and often said so. Whether or not they are familiar with France, most of them show real fondness for our country; for them, their personal or their family's memory of this period forms a bond that means a great deal to them.

b. Still a large number of files submitted to the Commission

Nearly 80 files were examined by the Commission's decision-making members during the session in the **United States** in March 2006. At the time, a total of **€1,966,752** was recommended, i.e. **an average compensation payment of €25,878³**.

As of December 31, 2006, the Commission has 1,866 files submitted by claimants residing in the United States, i.e. nearly 7% of all files. 8% of the American files were examined in America during all the trips there and represent 12% of American claimants.

²⇒ *Haaretz* (Tel Aviv) – Article by Amiram Barkat dated October 22, 2006.

⇒ *Jewish Week* (New York) – Article by Gabrielle Birkner dated March 31, 2006.

⇒ *AFP-New York* – Dispatches dated March 13 and 14, 2006.

⇒ *RTL* – Interview of March 24, 2006.

³ The averages take into account denials of unsubstantiated claims.

With a third trip planned for 2007, this figure should increase to **13% of all files** and **roughly 20% of claimants**.

During its visit to Israel in October 2006, **nearly 100 files** were submitted to the Commission. The high total amount of the sums awarded, i.e. **€2,557,826** for **an average compensation payment of €27,210⁴**, is an indication that the spoliations were significant. As of December 31, 2006, the Commission has **1,570** files submitted by claimants residing in Israel, i.e. approximately **7%** of all files. More than **25% of the Israeli files** were examined in Tel Aviv during all the trips there and represent **19% of this country's claimants**.

B/ Lessons to be learned

It should be pointed out that some claimants, after hearing the proposals of the *rapporteurs* in charge of examining their files, assume that the compensation amount disclosed to them will be the amount awarded by the Commission's decision-making members. However, the reports state very clearly that **"The rapporteur's analysis and conclusion are not binding on the Commission and do not presuppose the recommendation that it will issue"**. Indeed, in Anglo-Saxon legal systems, mediation, prior conciliation, arbitration and even hybrid methods are frequently used and erroneously lead people to expect similar decisions.

In France, the legal situation, which until very recently was extremely wary of alternative proceedings for settling disputes, is on the verge of changing. **Mediation** is beginning to emerge as a way of settling civil and criminal disputes. Today more than ever, it is important to recall the role, the basic outlines and the importance of the **hearings at which a decision is made on the claimants' files**. The *rapporteur* makes a **proposal**; the Commission's decision-making members issue a **recommendation**.

C/ Contact with foreign partners

The work undertaken abroad by the CIVS has strengthened its commitment to pursue its communication initiatives vis-à-vis victims' associations.

With regard to Israel, the French Consulate General in Jerusalem will be the venue for several of the upcoming meetings with claimants, thus making it more convenient for those who reside in and around the city and would otherwise have to travel long distances. This initiative will put the CIVS within closer reach of Israeli claimants.

③ PERIODIC EXTERNAL COMMUNICATION INITIATIVES

In addition to the **regular management meetings of the Berlin office**, the **communication initiatives** carried out by the Director of the CIVS increased during the previous year. This is illustrated by the various meetings with new German stakeholders and participation in **international symposiums** (Bonn⁵, Berlin, Moscow⁶, etc.).

An emotional pilgrimage: the CIVS agents' visit to Auschwitz-Birkenau

It seemed essential that the agents should make a commemorative visit to Poland given the nature of their work and their investment in such an emotionally-charged task and the fact that most of them are in contact with former deportees or heirs of deportees. This

⁴ Idem.

⁵ "A legal labyrinth? Ways out for the protection of cultural property" (October 9-10, 2006).

⁶ "Preservation of the cultural and historical heritage: current topics in the area of Russian-European cooperation (November 14-15, 2006).

study and awareness-raising trip was organized by the Contemporary Jewish Documentation Center (CDJC) and made possible thanks to the generous support of the **Fondation pour la Mémoire de la Shoah (Foundation for the Memory of the Holocaust - FMS)**.

Some 30 CIVS agents took part in a tour of the Birkenau and Auschwitz camps in January 2006. Guided by a representative of the Holocaust Memorial, they came away from this visit with a deeper awareness of their duty to compensate the victims of the Holocaust for the losses they suffered.

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IV

THE SLOW ROAD TOWARD COMPLETION OF THE WORK OF THE CIVS

① THE CENTRAL DATABASE (CDB), AN EFFORT TO ARRIVE AT A RELIABLE AND VALID NUMBER OF ARCHIVES

For more than two years, the **Supervision Unit** has been responsible for checking the files examined by the Commission and for ensuring that the information contained in these files tallies with that in the CDB, an essential computer tool used by the Commission. This check applies to the files sent by the Commission Secretariat after their examination by the Commission, as well as to those already examined prior to this unit's creation.

The long-term objective is to have a complete "**administrative memory**" that combines all the information contained in the files processed by the Commission. The purpose of the CDB is therefore to ensure the validity of the information provided by claimants or collected by the various archive centers.

In September 2006, the Supervision Unit played a key role in the **manual count of the files**. The aim of this undertaking was to ensure the "arithmetic accuracy" of the statistics compiled by the Commission or, in other words, to match up the number of files being processed in each unit with the number calculated by the CDB. At the end of this task, the CIVS agents counted 6,331 files being processed in the various units compared to 6,543 in the CDB. **Following an analysis, this discrepancy is being cleared up.**

② POSSIBLE REGRETS: CLAIMANTS WHO CHOSE NOT TO FOLLOW THROUGH ON THEIR CLAIMS

As of December 31, 2006, **1,165 files**, 130 of which are bank-related files, are **temporarily closed** due to a lack of response to the questionnaires that were sent. Letters signed by the Principal Rapporteur are sent three months after claims are registered. At the end of six months, files for which no response has been received are temporarily archived.

There may be several reasons why claimants do not return their questionnaire after receiving reminders: death, illness requiring prolonged hospitalization, unsuccessful searches for personal documents (photos, identification, etc.) or official documents (birth or death certificates, etc.), family difficulties or conflicts, or even simply misplaced questionnaires when changing residence.

As a result, the Commission may receive **a questionnaire pertaining to a temporarily closed file** several months or even several years after the initial process.

To try to determine, for each of these files, whether the claimants still wish to maintain their claims, the CIVS has decided to be **proactive**. Thus, **temporarily closed files will be re-examined** during a brief period in early 2007. This **recall** procedure should make it possible to eliminate once and for all any doubt regarding the existence of the claim and to close or reactivate processing of these pending files. An effort will also be made to **locate** these claimants or to contact them by any possible means in order to determine the reasons, if any, for their failure to respond.

If these last-ditch attempts are unsuccessful, **final reminder letters signed by the President of the Commission** to “**formalize**” the procedure will be sent. If these reminders prove to be ineffective, the files will be **permanently closed**. These letters will inform the claimants of the **option to withdraw** their claim. **In this case, they must write to the CIVS to notify it explicitly.**

C ONCLUSION

In 2005, the most relevant issue for the CIVS was to have its work seen within a historical context. This promise is being kept.

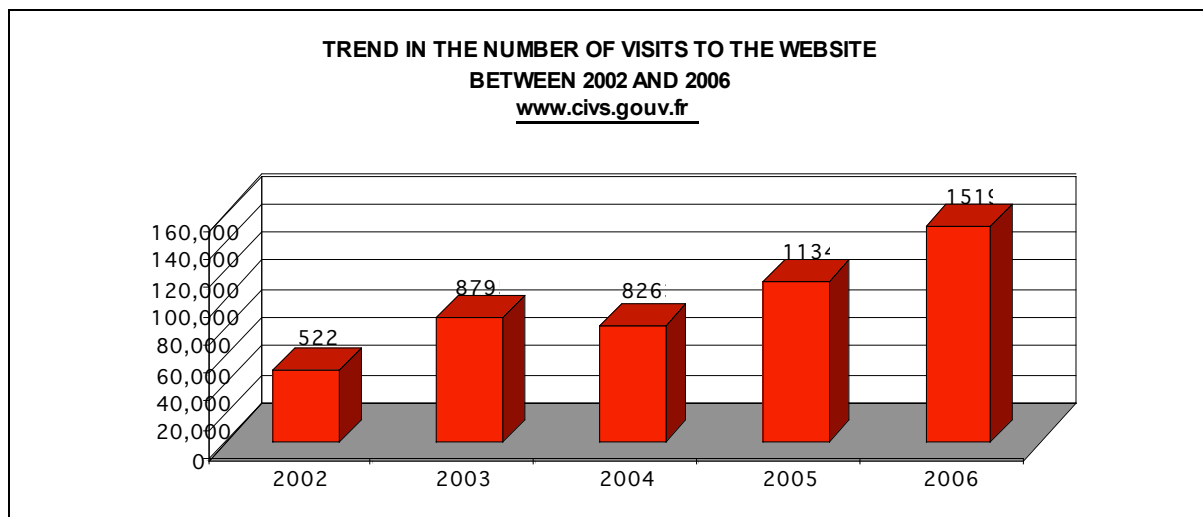
As the generations of victims vanish, they take with them the grief through which they have lived. Little by little, the sad emotion evoked by a tearful gaze at the monument commemorating the Holocaust emerges.

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APPENDICES

COMMUNICATION AND INFORMATION

The number of visits to the website has grown steadily, reaching **151,995**. It plays a major role in terms of information and communication. The most frequented pages are those related to CIVS news, its origin and composition, as well as the conditions governing compensation.



By far, the most frequently downloaded documents continue to be questionnaires for initiating a claim, activity reports and information documents such as brochures and leaflets.

Following the publication of Decree 2006-371 of March 22, 2006 and its amendments in the Official Gazette and on the Commission's website, a number of callers contacted the Telephone Contact and Information Unit (CERT) to find out if they were eligible for supplemental compensation. Several people who had never submitted bank-related claims wanted to **add this type of claim** to their material files.

New claims are expected once a foreclosure date for the Commission's work is decided.

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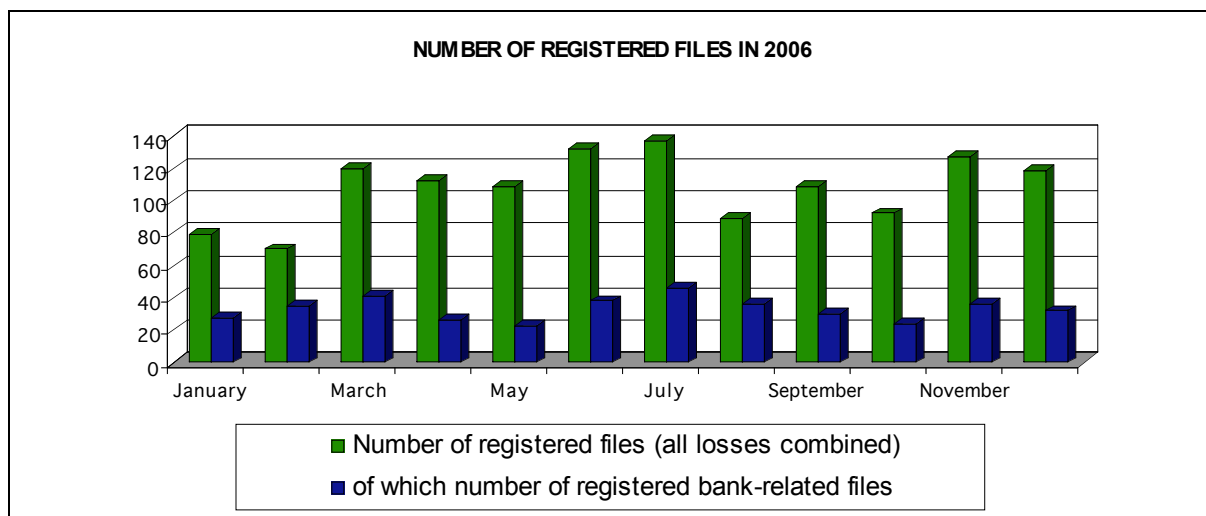
FILING OF CLAIMS

① DETAILED REVIEW

Following the peak reached in 2002 and a decline in 2003, the number of claims received in 2004, 2005 and 2006 has remained steady.

The downward trend in 2003 has therefore not continued and the rate at which initial claims are filed remains fairly constant.

An average of **104** claims was received each month in 2004, **93** in 2005 and **95** in 2006.

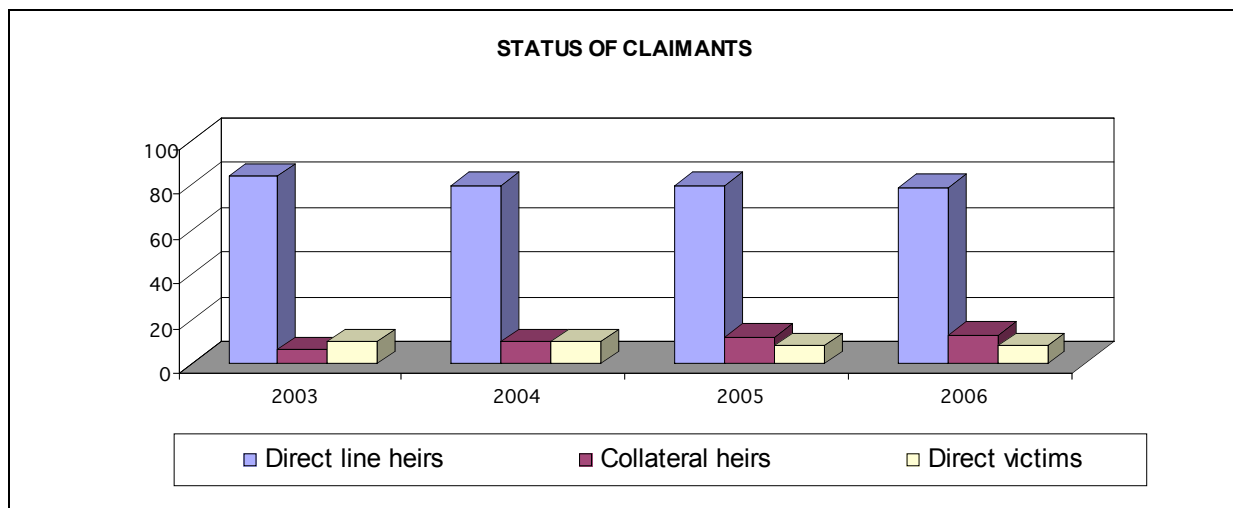


② STATUS OF THE CLAIMANTS

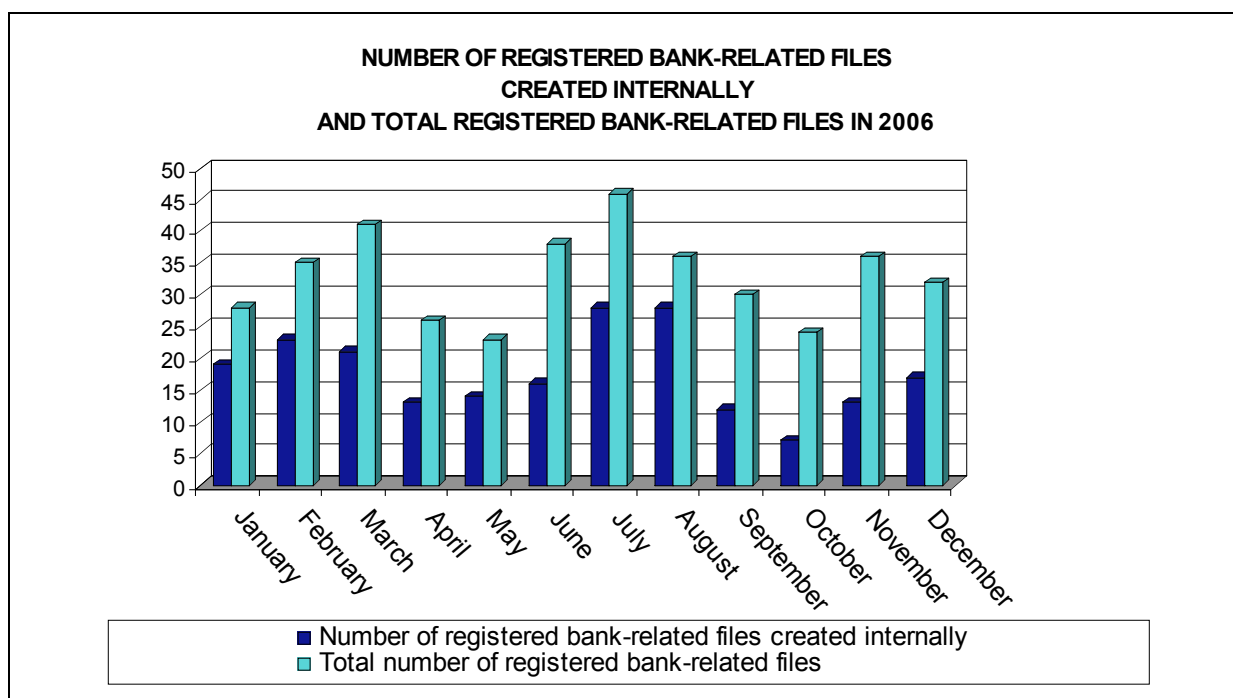
The number of claims filed by collateral heirs increased from **6%** in 2003 to **13%** in 2006, while the percentage of claims filed by direct heirs fell from **84%** to **79%**.

More generally, the overall status of claimants in relation to the total number of registered files breaks down as follows: **6%** of claimants are direct victims, **88%** are direct heirs and **6%** are collateral heirs.

These figures show that once claimants have filed a claim for their parents or grandparents, they are inclined to initiate a new compensation procedure for other members of their family, such as aunts and uncles.



③ INTERNAL CREATION OF BANK-RELATED FILES



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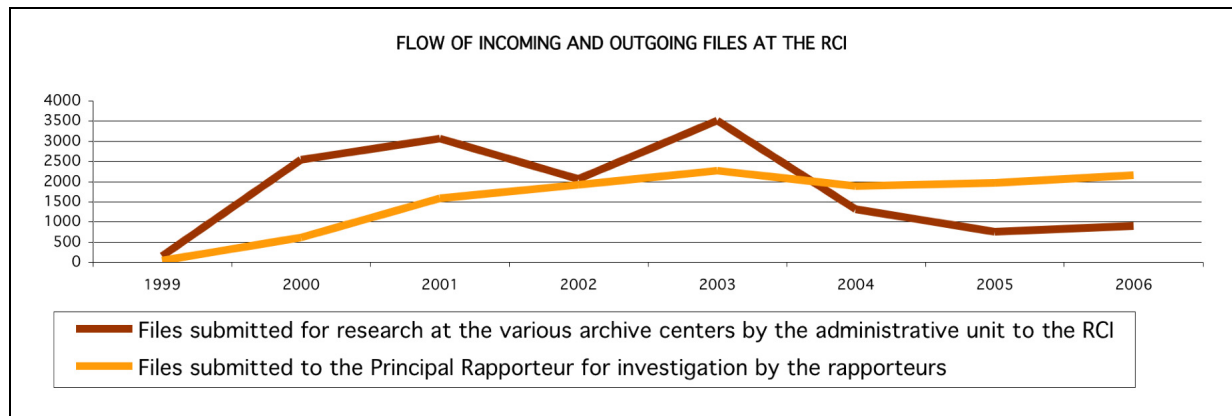
MATERIAL FILES

Until now, because of the large backlog of files managed by the Research Network (RCI), the Commission was forced to select the files by order of priority (direct victim, age, state of health, financial need). This system meant that files not meeting these criteria took a much longer time to process. To address this problem, a new priority was introduced in 2003: **so-called “old” files.**

In 2003, all claims filed in 1999 and 2000 were given priority by the archive centers. In 2004, the same rule was applied to claims filed in 2001, in 2005 for claims filed in 2002, and in 2006 for claims filed in 2003.

Since 2003, the backlog of files being processed at the RCI has continued to shrink since the number of files sent for investigation is greater than the number of new files received by the unit.

As of December 31, 2006, the backlog at the RCI consisted of about 1,500 files. **At the current rate, it will be eliminated by the end of June 2007.** All new files sent to the RCI by the Administrative Unit will then be processed in the usual archive turnaround times, i.e. approximately three months.



**

① PROCESSING “IN REAL TIME”

In 2006, the processing of bank-related claims by the *ad hoc* unit suffered as a result of the implementation of the exchange of diplomatic letters signed on February 21, 2006 which amended the Washington Agreement regarding the conditions governing the compensation of claims.

There is still a backlog of some 300 files at the bank-related claims office. Moreover, using 2006 as a reference, a monthly average of 33 new files can be expected for 2007. **The goal that has been set is to clear the backlog and the volume of files received by the CIVS during the first half of 2007, i.e. 160 files. As of June 1, 2007, the files will be able to be processed as and when they are received.**

It should be recalled that financial institutions have **two months** in which to respond to questions submitted by the Commission, which further delays the fast preparation of the files.

② EXISTING DATA

Since the CIVS began its work, the distribution of the bank-related files among the various funds has remained constant:

⇒ For **40%** of these files, the **existence of accounts has been proven** by archival documents. Regardless of the dates on which the claims were filed, any payable compensation is drawn **either from Fund A** for personal accounts or **from the government's budget** for business accounts. Supplemental compensation is awarded from Fund B when the amount of these accounts exceeds USD 1,500.

⇒ For the remaining **60%**, **no account has been proven**. For claims received by the CIVS before February 2, 2005, foreclosure date for Fund B, any payable compensation is awarded from this same Fund. On the other hand, **if the claims are foreclosed, the files are denied**.

For information purposes, **the average number of proven accounts per file is 3.4.**

**

EXAMINATION OF CLAIMS

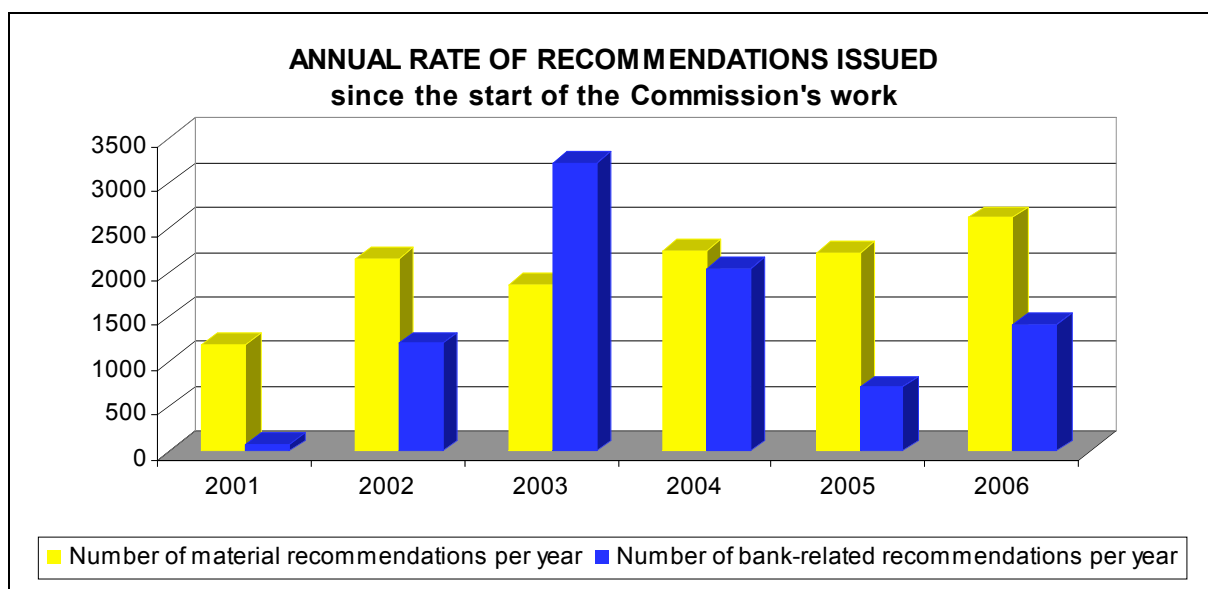
① THE THRESHOLD OF 21,000 RECOMMENDATIONS EXCEEDED IN 2006

In the fall of 2006, the Commission reached and exceeded the threshold of 21,000 recommendations issued since the start of its work.

As of December 31, 2006, this figure rose to **21,135 recommendations**, 8,675 (41%) of which were issued in connection with bank-related spoliations.

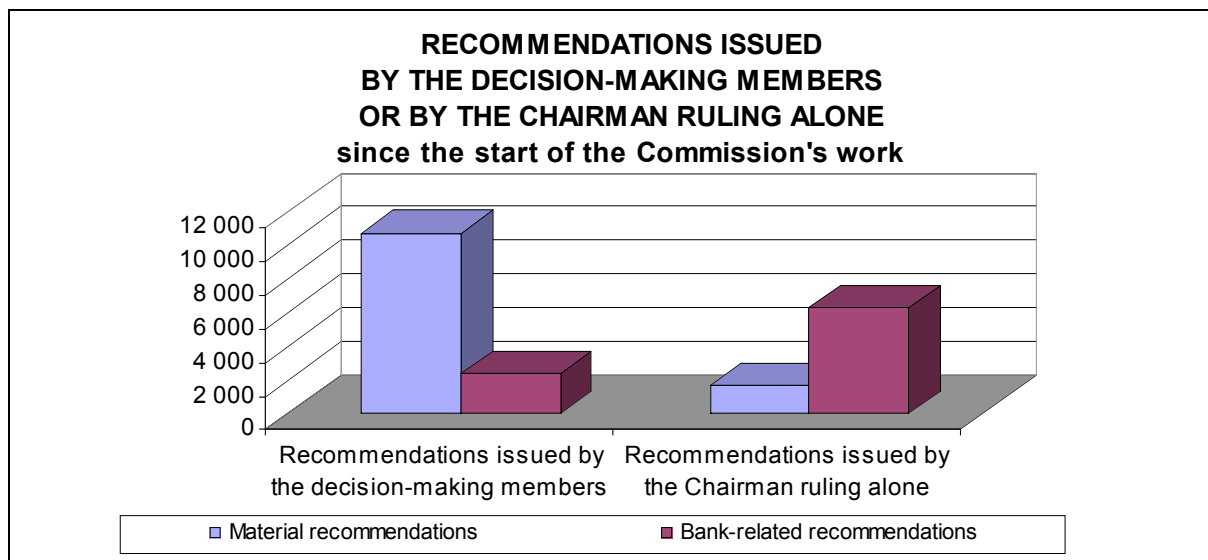
The number of **material** recommendations issued in a calendar year continues to rise steadily, as it has in the past. This number grew by **18%** over 2005.

Following a decrease in recent years, the number of **bank-related** recommendations grew steadily in 2006, thanks mainly to the latest amendments to the Washington Agreement. This number nearly doubled compared to 2005, increasing by exactly **97%**.



② THE CHAIRMAN RULING ALONE: ESSENTIAL SUPPORT FOR THE DECISION-MAKING MEMBERS

These results were achieved as a result of the joint work of the decision-making bodies: the Chairman ruling alone, sub-commissions or plenary sessions. The tasks are distributed so as to optimize the results in the interest of fairness, diligence and completeness.

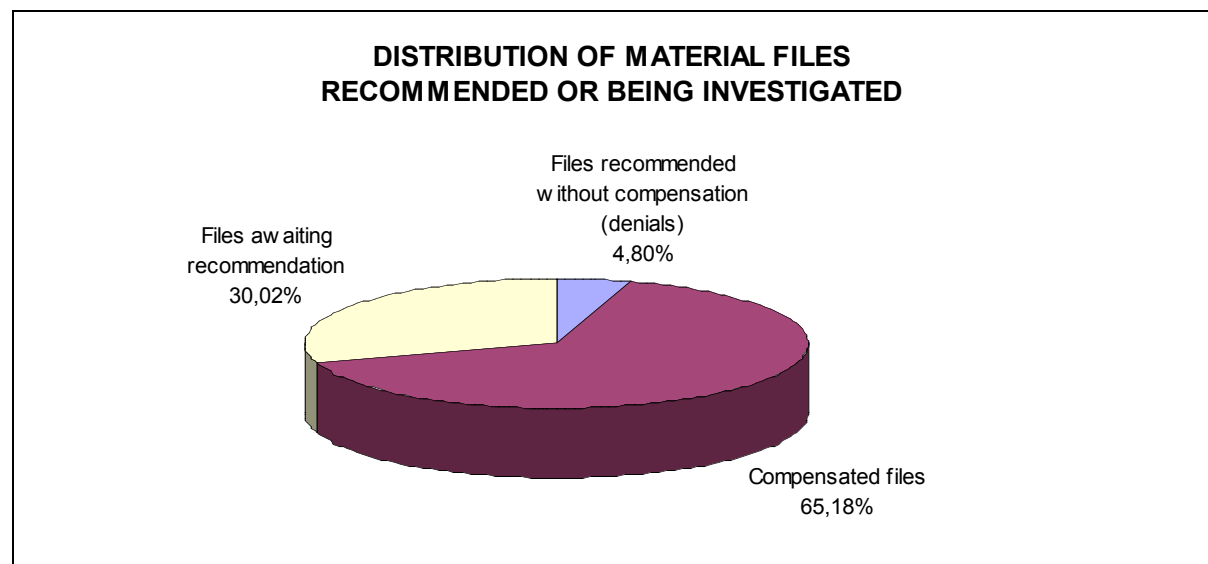


Since the work began, **most** of the recommendations related to **material spoliations** have been issued by the **decision-making members**.

Most of the **bank-related** recommendations have been issued through the so-called “Chairman ruling alone” **accelerated procedure**.

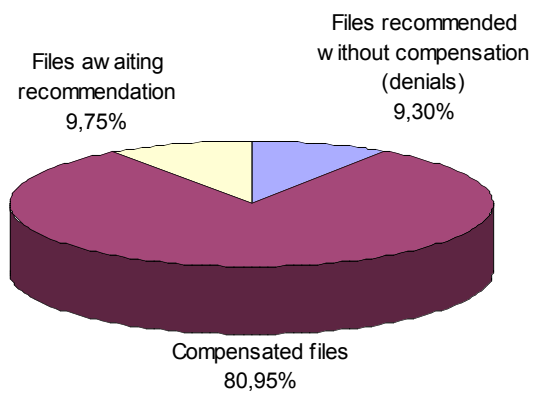
⑨ 77% OF THE CLAIMS FILED HAVE RESULTED IN A RECOMMENDATION

At the end of 2006, of the **23,360 files registered** since September 10, 1999, **77% have resulted in a recommendation**, i.e. 10,874 material files and 7,086 bank-related files.



.../...

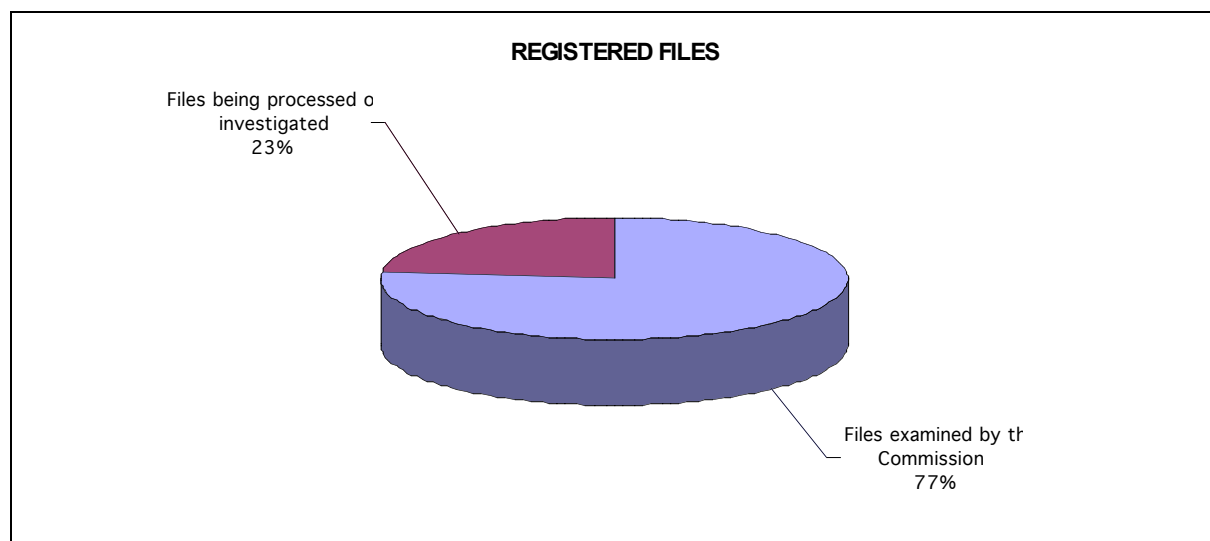
**DISTRIBUTION OF BANK-RELATED FILES
RECOMMENDED OR BEING INVESTIGATED**



ARCHIVE MANAGEMENT AND CREATION OF AN ADMINISTRATIVE MEMORY

① STATUS OF REGISTERED FILES

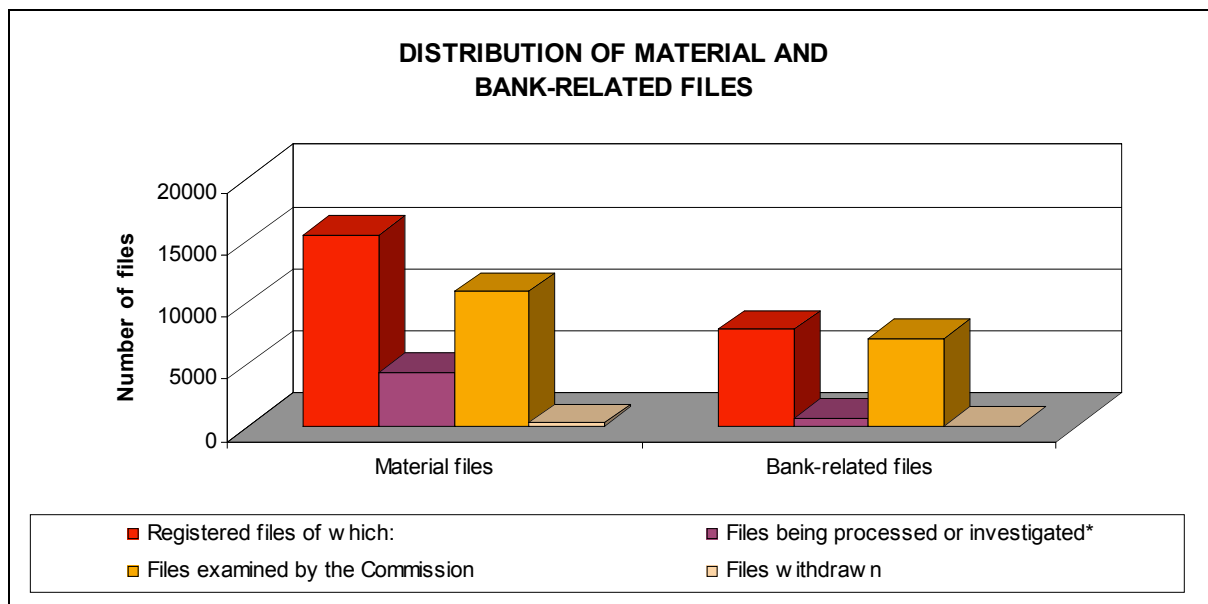
Since the creation of the CIVS, **23,360 files** covering all losses have been **registered**. As of December 31, 2006, **17,960** of these have been archived, closed or are awaiting the allocation of reserved portions.



② DISTRIBUTION OF MATERIAL AND BANK-RELATED FILES

As of December 31, 2006, the Commission has registered **15,518 material files**. Of these, **10,874** have resulted in a recommendation and **303** have been withdrawn.

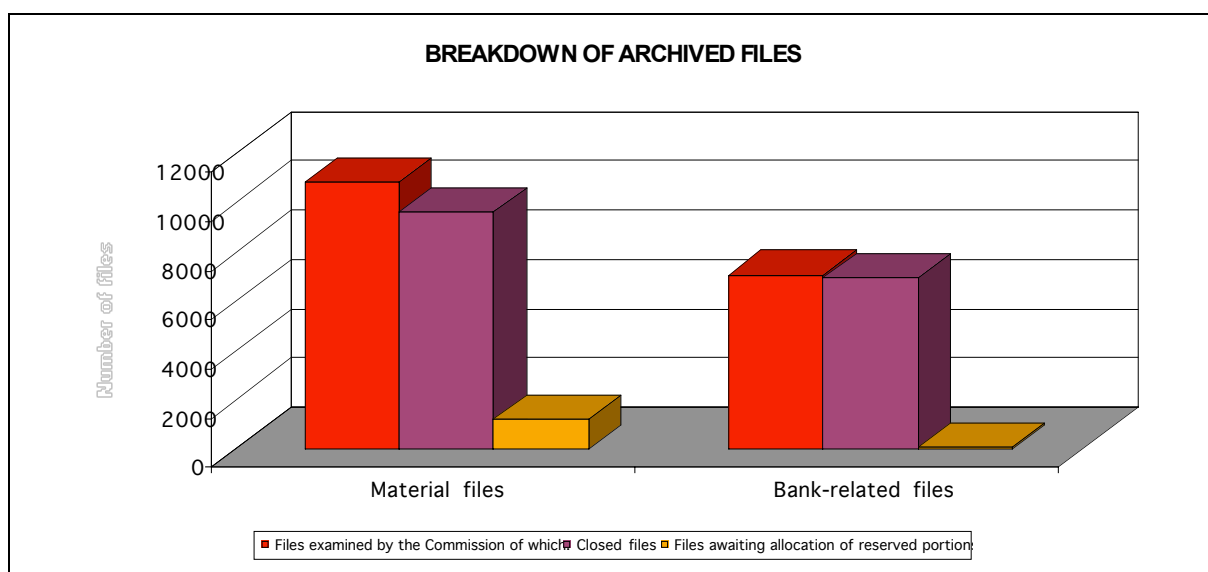
7,842 bank-related files have been submitted. Of these, **7,086** have been examined by the Commission and **58** have been withdrawn.



* Including those counted as “temporarily closed”.

③ BREAKDOWN OF ARCHIVED FILES

Of the 10,874 archived material files, **1,238 are awaiting the allocation of reserved portions**. Of the 7,086 bank-related files examined by the Chairman ruling alone or by the decision-making members, **132 are also awaiting the allocation of reserved portions**.



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**SUMMARY OF THE AMOUNTS ALLOCATED
SINCE THE START OF THE COMMISSION'S WORK
AS OF DECEMBER 31, 2006**

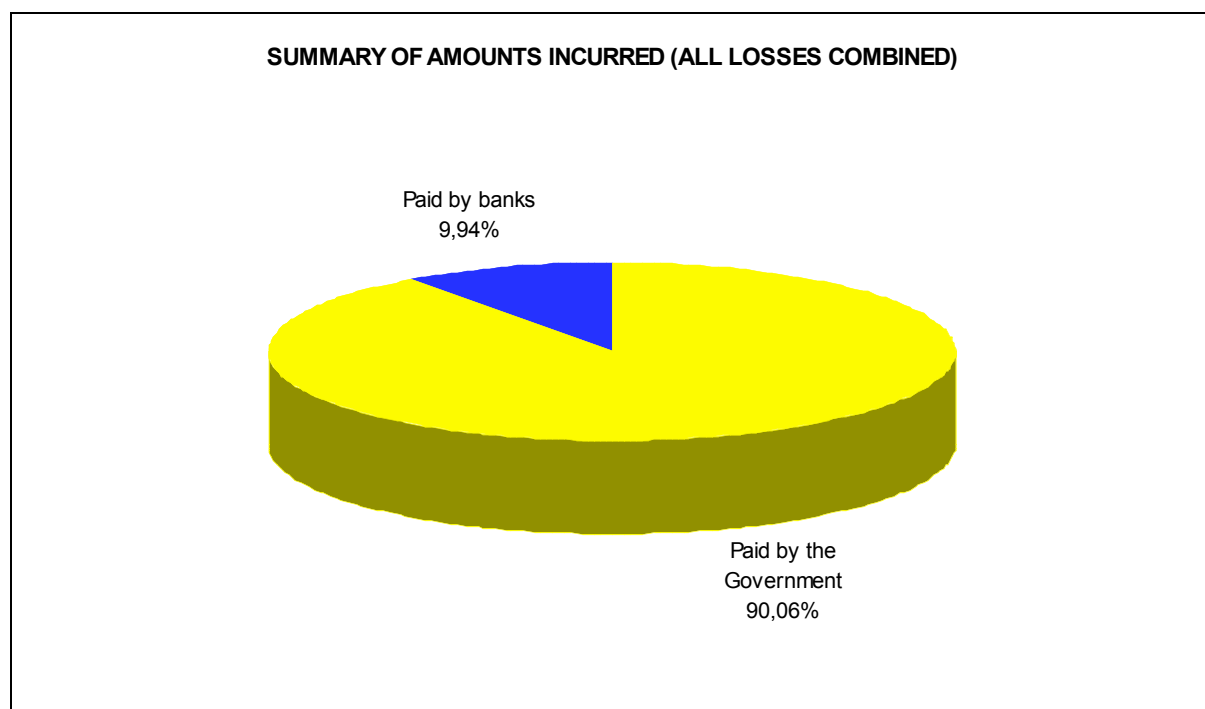
Since the start of the work, **the average value of the compensation awarded is €27,934 per material claim and €4,444 per bank-related claim.** The median⁷ compensation awarded for material claims is €20,000.

① TOTAL AMOUNT OF COMPENSATION AWARDED COVERING ALL LOSSES COMBINED:

€316,423,512

⇒ Paid by the government: **€284,977,047**, including bank-related recommendations, i.e. compensation of accounts under temporary administration.

⇒ Paid by banks: **€31,446,465.**



② TOTAL COMPENSATION AWARDED FOR BANK-RELATED SPOILIATIONS:

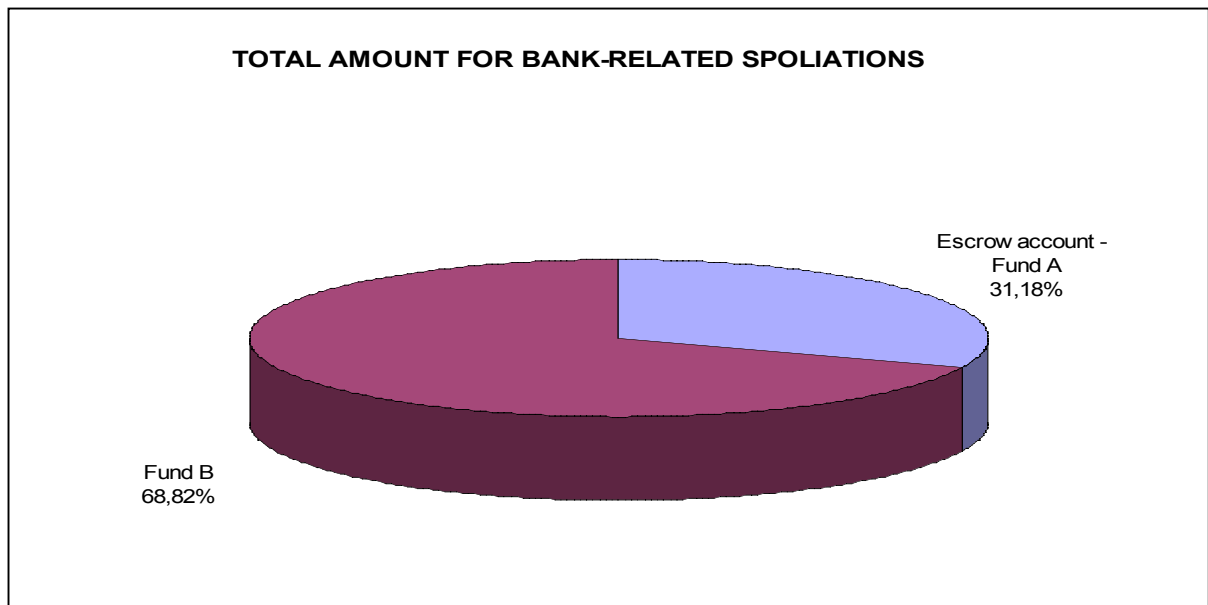
€31,446,465

⇒ Escrow account – Fund A: **€9,803,466**

⇒ Fund B: **€21,642,999**

.../...

⁷ The median is a middle value that separates the total amount of compensation into two groups containing the same number of compensation payments awarded. 50% of the recommendations studied have an amount less than the median and 50% an amount greater than the median.



③ USE OF BANK FUNDS

- ⇒ Escrow account – Fund A: **25.82%** of initial endowment (USD 50,000,000)
- ⇒ Fund B: **126.66%** of initial endowment (USD 22,500,000), supplemented by the interest accrued and the foreign exchange effects generated.

**

REMINDER

EXECUTIVE BOARD OF THE COMMISSION:

- ⇒ Chairman: **Mr. Gérard GÉLINEAU-LARRIVET**, Honorary chairman of a chamber at the Cour de Cassation
- ⇒ Director: **Mr. Lucien Kalfon**, Prefect
- ⇒ Principal Rapporteur: **Mr. Jean Géronimi**, Advocate General at the Cour de Cassation

DECISION-MAKING MEMBERS: 9

- ⇒ **Mr. François Bernard**, Honorary member of the Conseil d'État, Vice-Chairman of the Commission,
- ⇒ **Mr. Jean-Pierre Bady**, Senior member of the Cour des Comptes
- ⇒ **Mr. Bernard Boubli**, Honorary senior advisor at the Cour de cassation
- ⇒ **Ms. Anne Grynberg**, Professor at the *Institut National des Langues et Civilisations Orientales* (INALCO) and researcher at the Institute of History of Time Present (IHTP)
- ⇒ **Mr. Gérard Israël**, philosopher, writer and member of the steering committee of the Representative Council of Jewish Institutions in France (CRIF)
- ⇒ **Mr. Pierre Kauffmann**, Honorary Secretary General of the Memorial to the Unknown Jewish Martyr and of the *Centre de Documentation Juive Contemporaine* (CDJC - Contemporary Jewish Documentation Center)
- ⇒ **Mr. Pierre Parthonnaud**, Honorary senior member of the Cour des Comptes
- ⇒ **Mr. David Ruzié**, Honorary dean and Professor emeritus
- ⇒ **Mr. Henri Toutée**, Member of the Conseil d'État

GOVERNMENT COMMISSIONERS: 2

- ⇒ **Ms. Martine Denis-Linton**, Member of the Conseil d'État, Government Commissioner
- ⇒ **Mr. Bertrand Dacosta**, *Maître des requêtes* (master in chambers) at the Conseil d'État, Deputy Government Commissioner

RAPPORTEURS: 31

- ⇒ **Ms. Monique Abittan**, Magistrate of the regular court system
- ⇒ **Mr. Jean-Michel Augustin**, Magistrate of the regular court system
- ⇒ **Mr. Christophe Baconnier**, Magistrate of the regular court system
- ⇒ **Mr. Jacques Bertrand**, Magistrate of the regular court system
- ⇒ **Mr. Gilles Bourgeois**, Magistrate of the regular court system
- ⇒ **Ms. Françoise Chadelon**, Magistrate of the regular court system
- ⇒ **Mr. Brice Charles**, Magistrate of the administrative court system
- ⇒ **Mr. Claude Cohen**, Magistrate of the regular court system
- ⇒ **Mr. Jean Corbeau**, Magistrate of the regional audit office
- ⇒ **Ms. Rosine Cusset**, Magistrate of the regular court system
- ⇒ **Ms. Chantal Descours-Gatin**, Magistrate of the administrative court system
- ⇒ **Mr. Dominique Durand**, Magistrate of the regular court system
- ⇒ **Ms. Marie Franceschini**, Magistrate of the regular court system
- ⇒ **Mr. François Gayet**, Magistrate of the administrative court system
- ⇒ **Ms. Nicole Julienne-Saurin**, Magistrate of the regular court system
- ⇒ **Ms. France Legueltel**, Magistrate of the regular court system
- ⇒ **Ms. Maryse Lesault**, Magistrate of the regular court system

.../...

- ⇒ **Mr. Jean Lilti**, Magistrate of the regular court system
- ⇒ **Mr. Ivan Luben**, Magistrate of the administrative court system
- ⇒ **Mr. Jean- Pierre Marcus**, Magistrate of the regular court system
- ⇒ **Ms. Éliane Mary**, Magistrate of the regular court system
- ⇒ **Mr. Claude Maucorps**, Magistrate of the regular court system
- ⇒ **Mr. Michel Morel**, Magistrate of the regular court system
- ⇒ **Ms. Nicole Moriametz**, Magistrate of the regular court system
- ⇒ **Mr. Pierre Renard-Payen**, Magistrate of the regular court system
- ⇒ **Mr. Pierre Rocca**, Magistrate of the regional audit office
- ⇒ **Ms. Marie Sirinelli**, Magistrate of the administrative court system
- ⇒ **Mr. Xavier Straseele**, Magistrate of the regular court system
- ⇒ **Ms. Sabah Tir-Nicolaieff**, Magistrate of the regular court system
- ⇒ **Ms. Marie-Hélène Valensi**, Magistrate of the regular court system
- ⇒ **Ms. Sophie Zagury**, Magistrate of the regular court system

CLAIMS REGISTERED: 23,360

- ⇒ Of which **15,518** material claims
- ⇒ Of which **7,842** bank-related claims

FREQUENCY OF HEARINGS

- ⇒ Sub-commissions: **5 per week**
- ⇒ Plenary sessions: **1 to 2 per month**

HEARINGS ORGANIZED IN 2006: 226

- ⇒ Sub-commissions: **213**
- ⇒ Plenary sessions: **13**

AVERAGE NUMBER OF FILES EXAMINED PER HEARING: 12

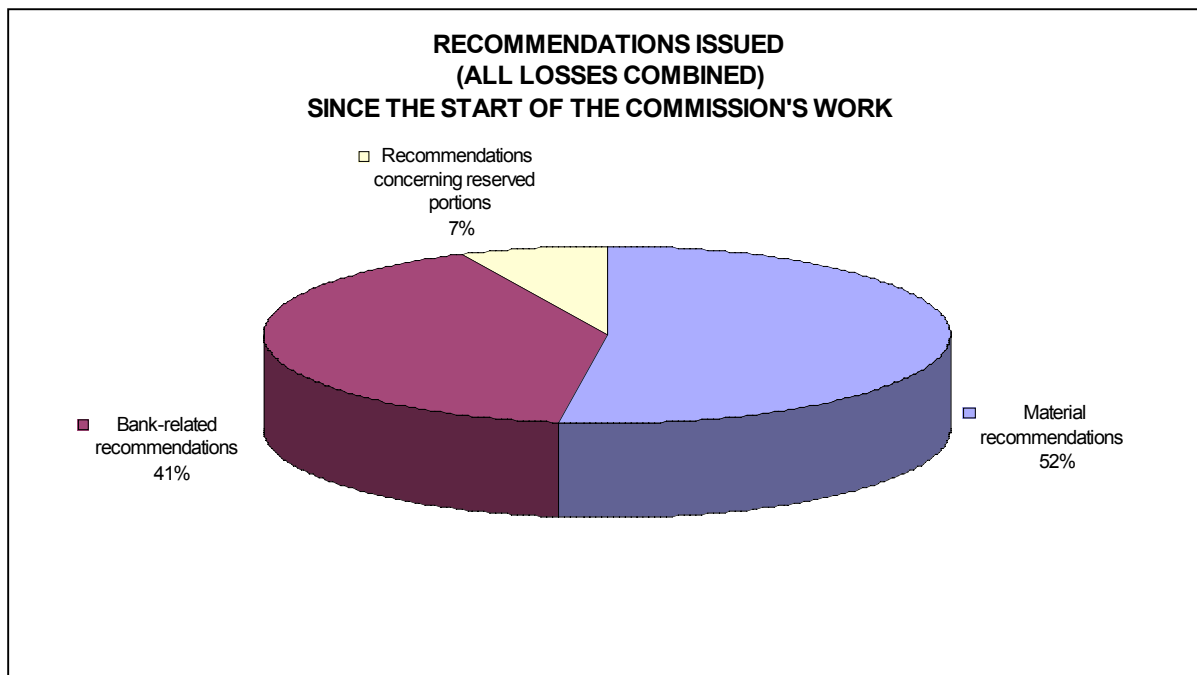
- ⇒ Sub-commissions: **13**
- ⇒ Plenary sessions: **6**

CLAIMANTS' RATE OF ATTENDANCE AT HEARINGS: 47%

RECOMMENDATIONS ISSUED (ALL LOSSES): 21,135

- ⇒ Of which **11,020** material recommendations
- ⇒ Of which **8,675** bank-related recommendations
- ⇒ Of which **1,440** concern reserved portions, i.e. more than 10% of the recommendations issued in 2006 alone.

.../...



RECOMMENDATIONS FOR DENIAL: **1,952** (i.e. 9.24% of the recommendations issued)

⇒ Concerning material spoliations: **647**

⇒ Concerning bank-related spoliations: **1,305** – of which 873 denied for foreclosure (67%)

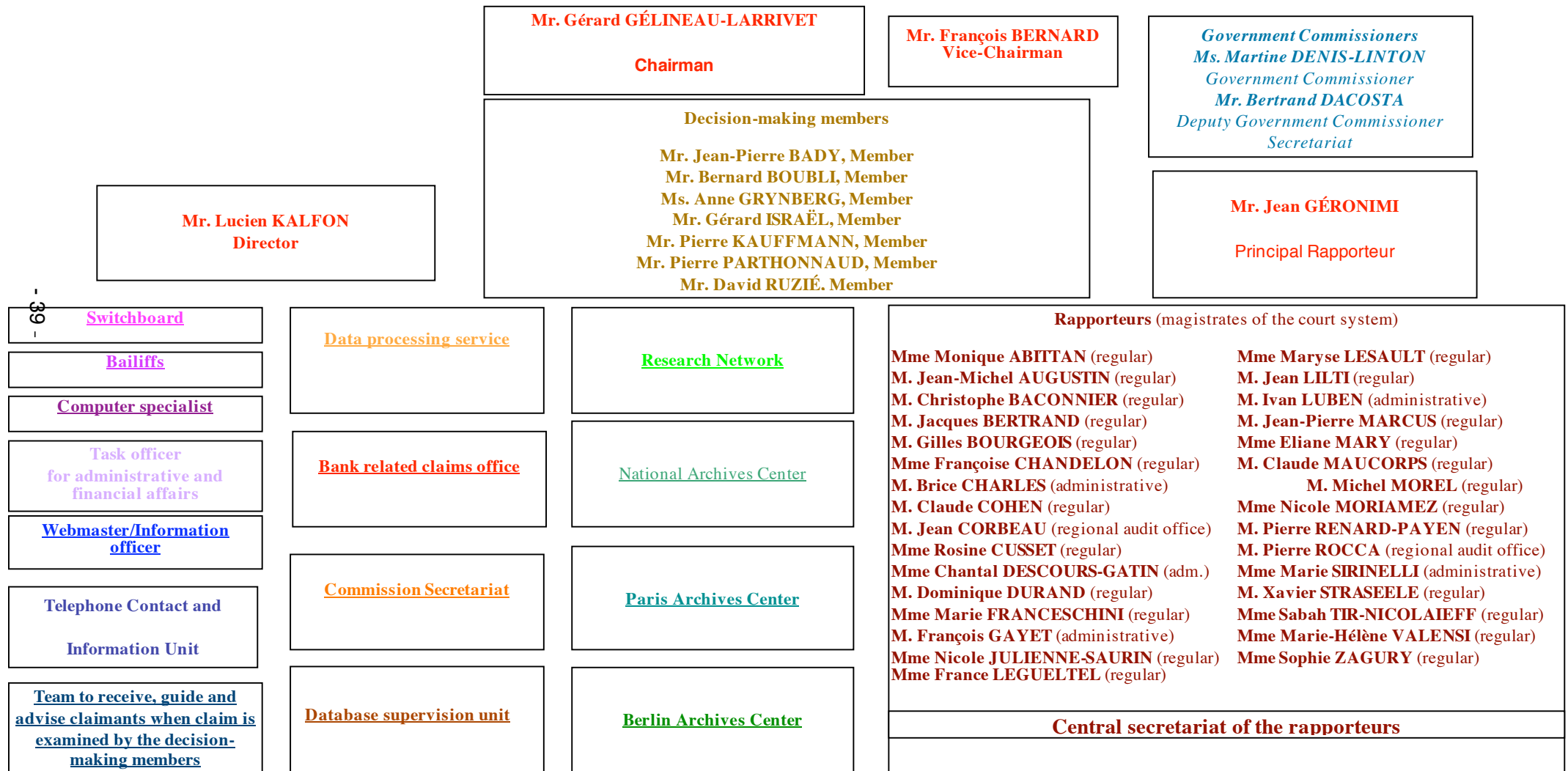
RE-EXAMINATION REQUESTS EXAMINED BY THE COMMISSION: **243**

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Commission for the Compensation of Victims of Spoliations
Resulting from the Anti-Semitic Legislation in Force during
the Occupation

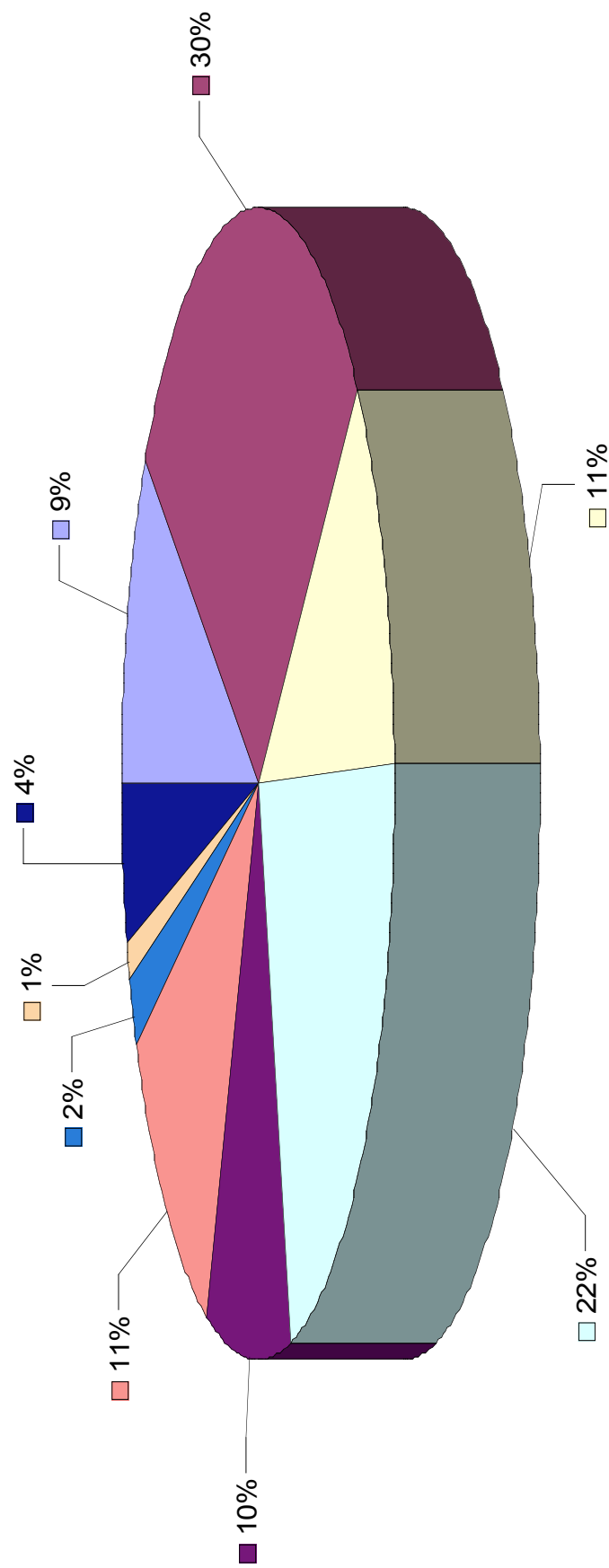
ORGANIZATIONAL CHART

1, rue de la Manutention - 75116 PARIS
Telephone: +33(0)1.56.52.85.00 / Fax: +33(0)1.56.52.85.73
www.civs.gouv.fr



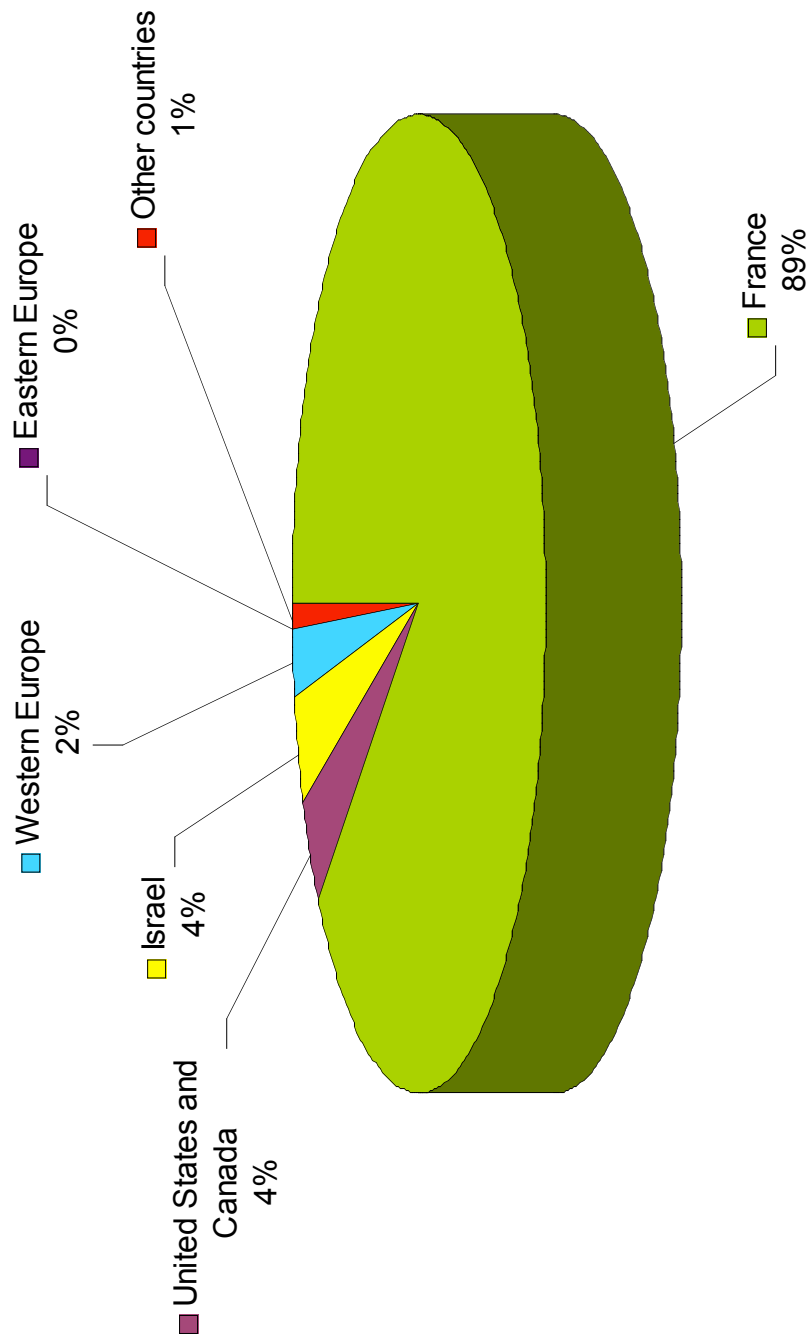
SUMMARY OF STATISTICS

PRINCIPAL REQUESTS FOR INFORMATION IN 2006

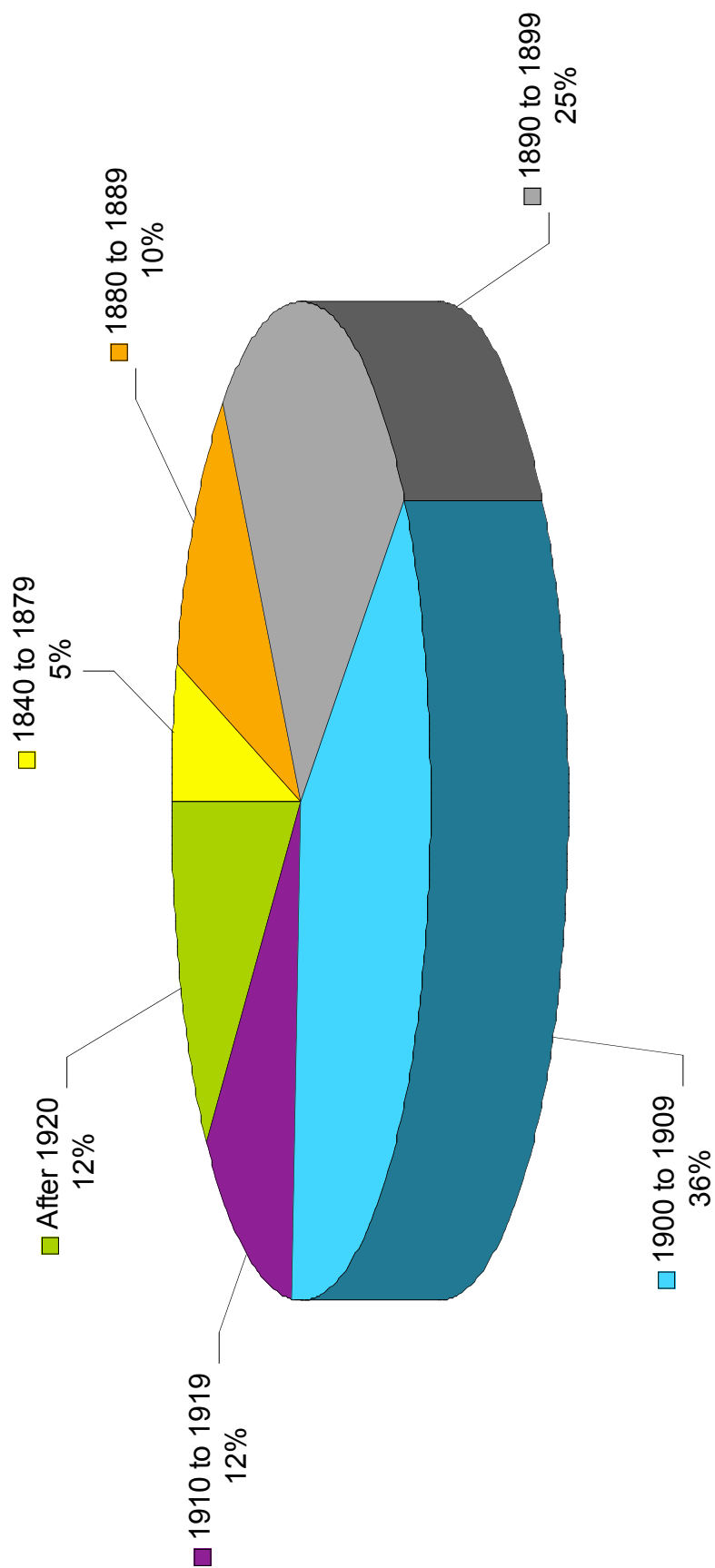


- Compilation of case files and Commission eligibility
- Research concerning material spoiliations
- Research concerning bank-related spoiliations
- Investigation of claims: valuation of losses
- Examination by the decision-making members
- Payment procedures and collection times
- Re-examination procedures
- Supplemental compensation for smugglers' fees
- Reserved portions

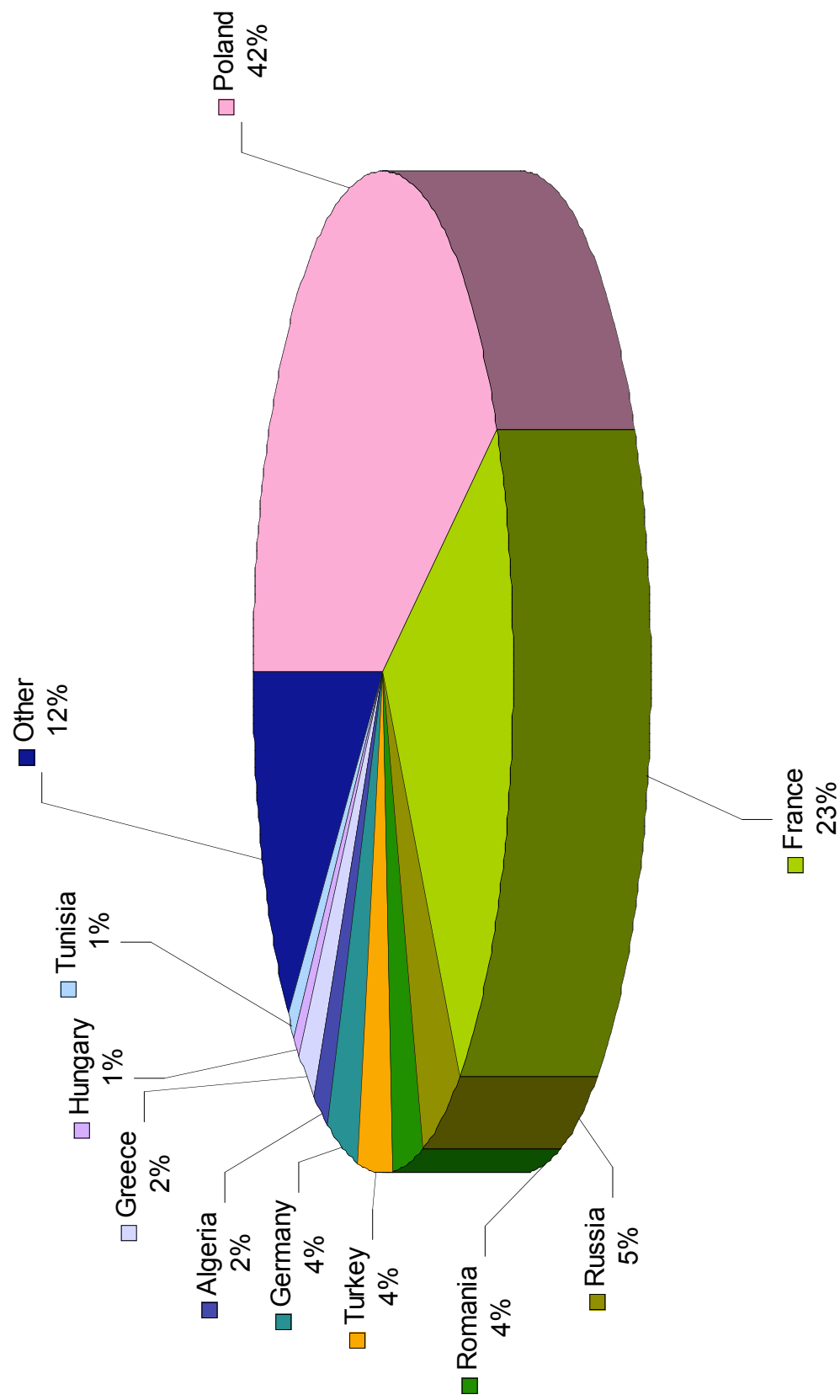
ORIGIN OF CALLS RECEIVED IN 2006 BY THE CERT



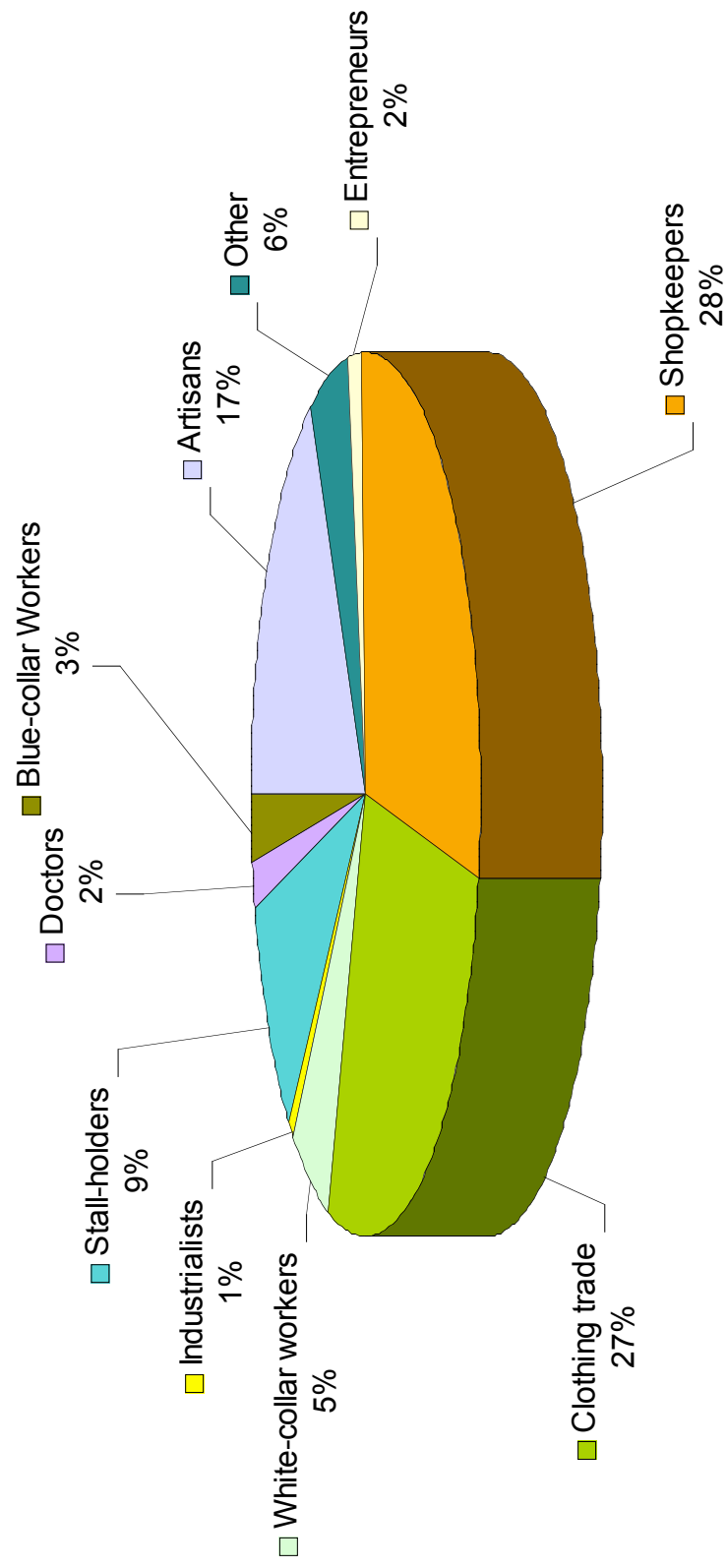
DISTRIBUTION OF VICTIMS OF SPOILIATIONS BY DATE OF BIRTH



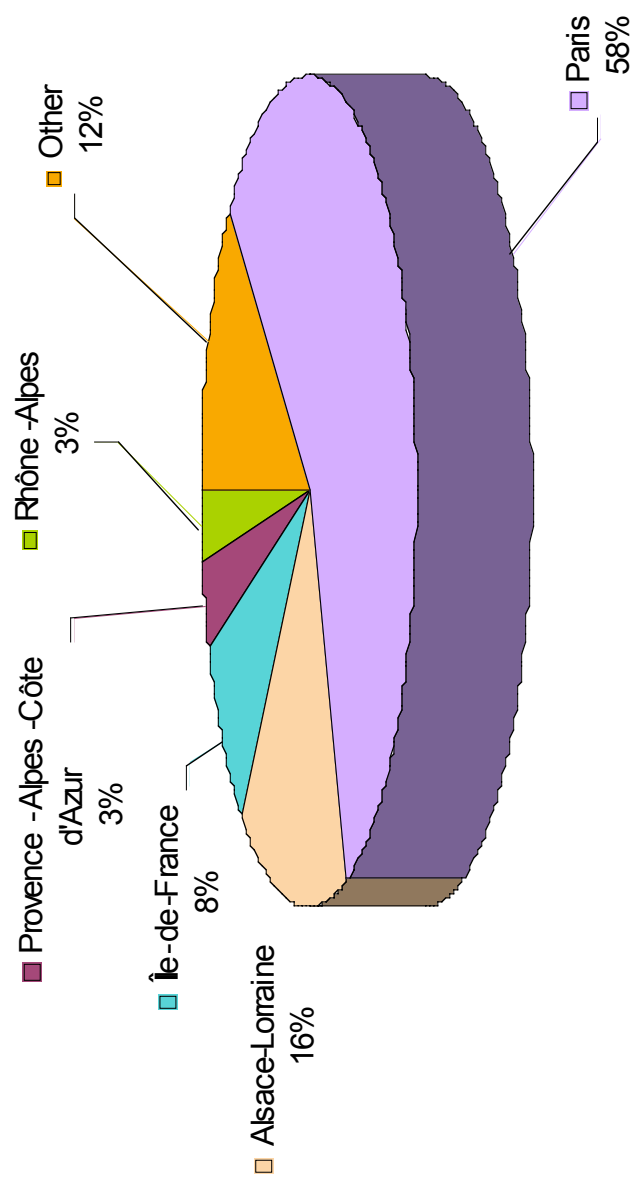
DISTRIBUTION OF VICTIMS OF SPOILIATIONS BY PLACE OF BIRTH



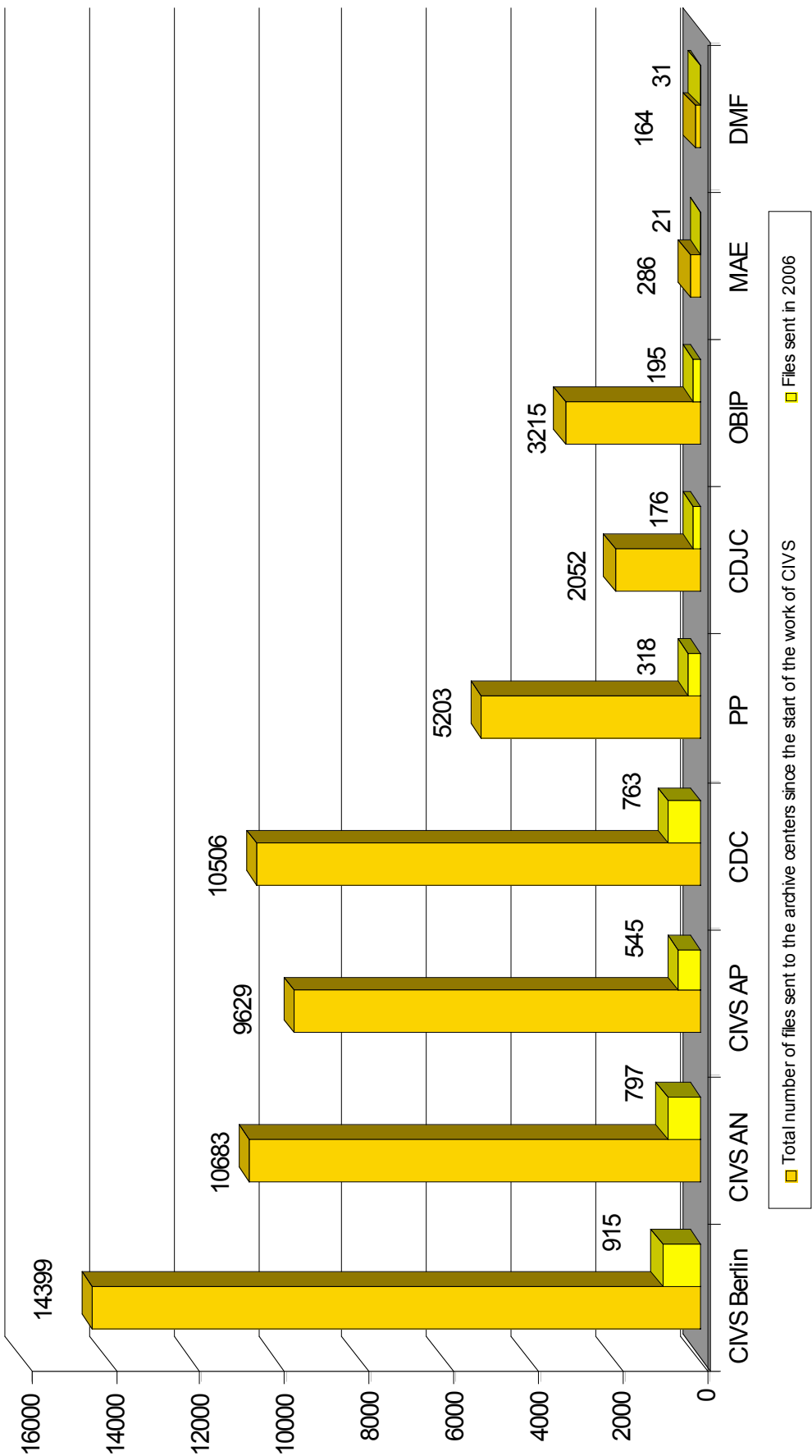
DISTRIBUTION OF VICTIMS OF SPOILIATIONS BY PROFESSION



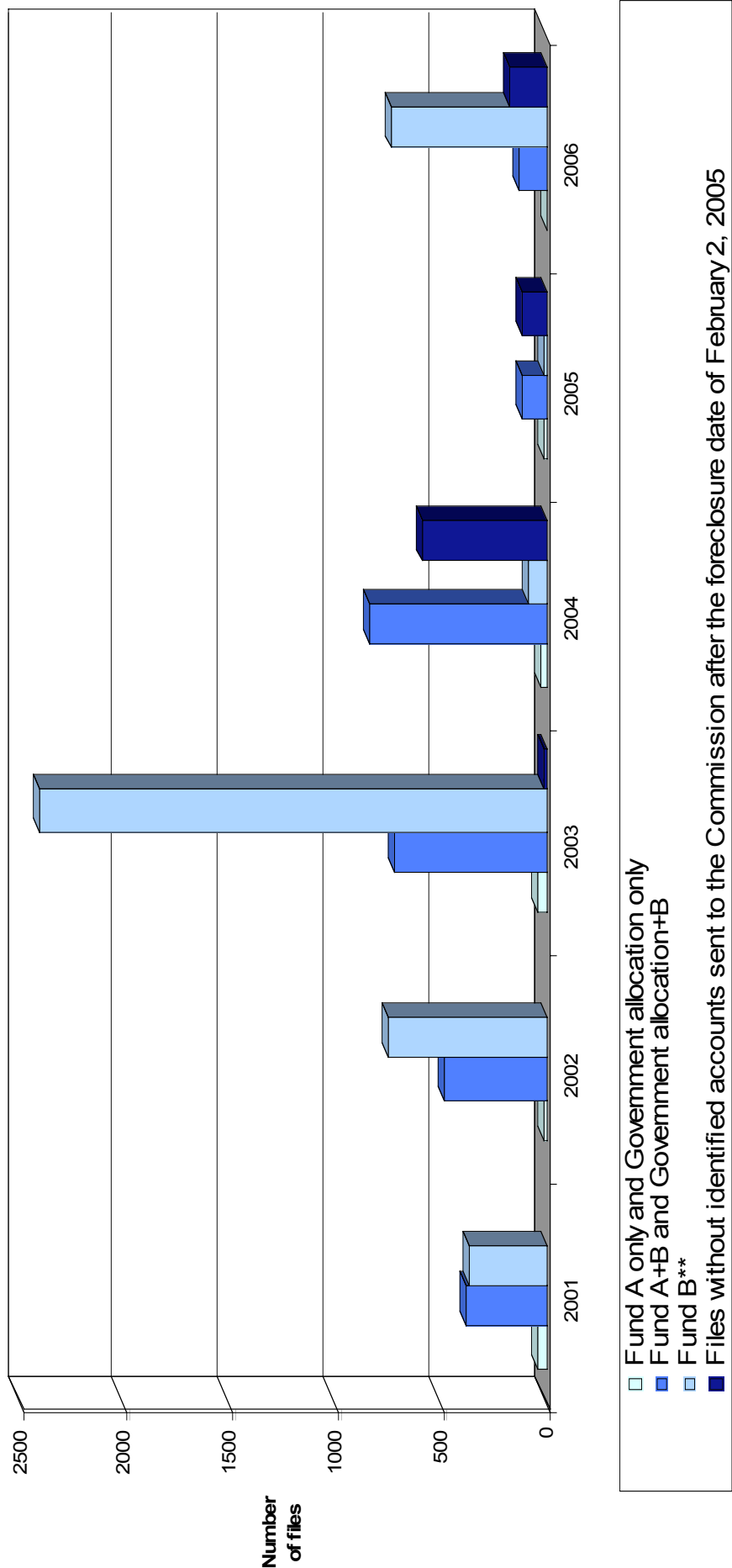
DISTRIBUTION OF SPOILIATIONS BY REGION IN FRANCE



NUMBER OF FILES SENT BY THE RCI
TO THE ARCHIVE CENTERS

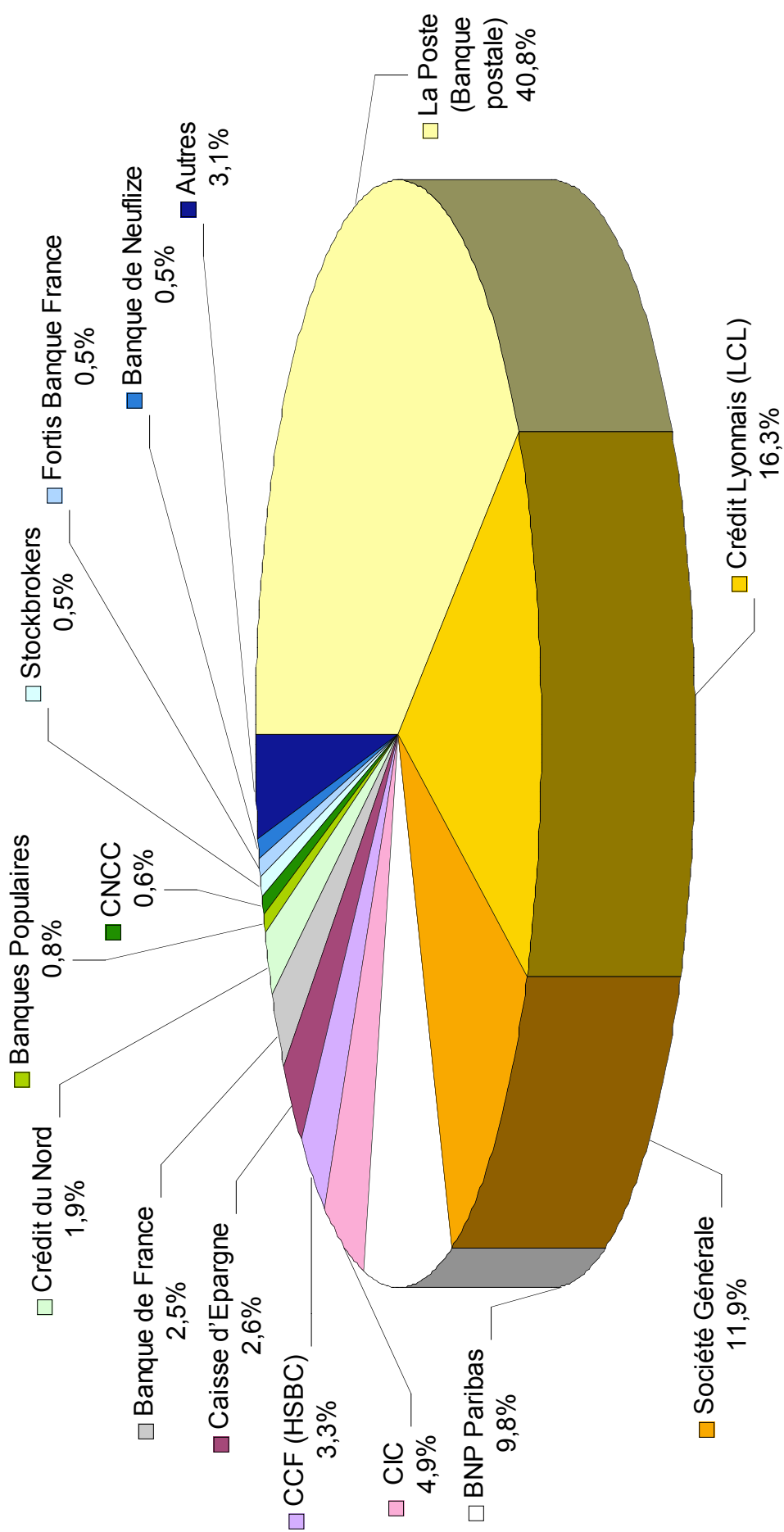


**FILES PROCESSED* BY THE BANK UNIT
FROM 2001 TO DECEMBER 31, 2006
Annual distribution by Fund**



*Estimates before the issuance of recommendations
 ** The high number of compensation payments drawn on Fund B for 2006 resulted from the lifting of foreclosure of files received by the Commission prior to February 2, 2005 (point 4 of the exchange of diplomatic letters of February 21, 2006)

DISTRIBUTION OF IDENTIFIED ACCOUNTS BY CREDIT INSTITUTION FROM 2001 TO DECEMBER 31, 2006



ACRONYMS

AN: Antenne des Archives nationales (CIVS national archives center)

AP: Antenne des Archives de Paris (CIVS Paris archives center)

BAVD: *Bundesamt für zentrale Dienste und offene Vermögensfragen* (German Federal Office for Central Services and Unresolved Property Issues)

BDD: Base de Données (CIVS central database)

CDC: Caisse des Dépôts et Consignations (State bank handling official deposits)

CDJC: Centre de Documentation Juive Contemporaine (Contemporary Jewish Documentation Center)

CERT: Cellule d'Écoute et de Renseignements Téléphoniques (CIVS Telephone Contact and Information Unit)

CCF: Crédit Commercial de France

CGQJ: Commissariat Général aux Questions Juives (General Commissariat for Jewish Questions)

CIC: Crédit Industriel et Commercial

CNCC: Caisse Nationale de Crédit Coopératif

CNCCFP: Commission Nationale de Contrôle des Comptes de Campagne et de Financement des Partis Politiques (National Commission for Control of Campaign Funds and Political Financing)

CNRS: Centre National de la Recherche Scientifique (National Center for Scientific Research)

CNRV: Caisse Nationale des Retraites pour la Vieillesse (CDC - former national old-age and retirement fund)

CRIF: Representative Council of Jewish Institutions in France

CRR: Commission de Recours des Réfugiés (OFPRA – Refugee Appeals Board)

DMF: Direction des Musées de France (Culture Ministry – Directorate of French Museums)

ERR: *Einsatzstab Reichsleiter Rosenberg für die Besetzen Gebiete* (intervention staff of Alfred Rosenberg, the Reich's officer for the occupied territories)

FFSA: Fédération Française des Sociétés d'Assurance (French Insurance Companies Federation)

FMS: Fondation pour la Mémoire de la Shoah (Foundation for the Memory of the Holocaust)

FSJU: Fonds Social Juif Unifié (United Jewish Welfare Fund)

HCPO: Holocaust Claim Processing Office (New York State)

HSBC: Hong Kong and Shanghai Banking Corporation

ICHEIC: The International Commission on Holocaust Era Insurance Claims (ICHEIC)

ICOM: International Council of Museums (UNESCO)

IHTP: Institute of History of Time Present (CNRS)

INALCO: Institut National des Langues et Civilisations Orientales (National Institute of Eastern Languages and Civilizations)

INSEE: Institut National de la Statistique et des Études Économiques (French National Institute of Statistics and Economic Studies)

MAE: Ministère des Affaires Étrangères (French Foreign Affairs Ministry)

MNR: Musées Nationaux Récupération (National Museums – Recoveries register)

OBIP: Office des Biens et Intérêts Privés (Office for Personal Property and Interests)

OFD: *Oberfinanzdirektion* (Finance Directorate of Berlin)

OFPRA: Office Français de Protection des Réfugiés et Apatrides (French Office for the Protection of Refugees and Stateless People)

PP: Préfecture de Police (Prefecture of Police)

RCI: Réseau de Contrôle et d'Investigation (CIVS Research Network)

UJA: United Jewish Appeal

UNESCO: United Nations Organization for Education, Science and Culture

WGA: *Wiedergutmachungsämter* (German restitution offices)

*
**

PRIME MINISTER

Commission for the Compensation
of Victims of Spoliations
Resulting from Anti-Semitic Legislation
in Force during the Occupation
– CIVS –

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