



**European  
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of Jewish  
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**ЕВРОПЕЙСКИЙ СОВЕТ  
ЕВРЕЙСКИХ ОБЩИН**

**Conseil Européen des  
Communautés Juives**

**מועצת הקהילות  
היהודיות באירופה**

Special Master Judah Gribetz  
Richards & O'Neil, LLP  
885 Third Avenue  
New York, N.Y. 10022-4873

20 December 1999

Dear Mr. Gribetz

**Cobi Benatoff**  
President

**Michel Montreuil**  
Executive Director

Re: Settlement on Swiss Banks Claims - Holocaust Assets Litigation  
***Proposed Set of Principles on the Plan of Distribution  
for the Settlement Agreement***

**Affiliated  
organizations in**

Further to our meeting of 22 October and subsequent meetings and consultations we held with European Jewish Communities, we are writing to address you the ECJC Set of Principles. We believe that the attached recommendations will give a voice to these communities, particularly in Eastern Europe that until now and in all settings of past allocations, have been absent at the negotiating table.

Jewish Communities in the Americas and in Israel have had 50 years of rebuilding their community life and infrastructures, while communities in Eastern Europe and the Former Soviet Union (FSU) not only did not have the benefit of this generation but also had to endure the oppressive rule of communism. Hence the strong, common belief prevails on this continent that Jewish Communities of Europe are themselves Survivors, and for the Eastern and FSU ones 'double victims'.

This set of principles aims at that, wherever possible, any services and programs geared to Survivors and to Survivor Communities make maximum use of local community resources. Furthermore, we believe that the process of providing these welfare and other communal needs should be designed to aid in the development of local communities skills and infrastructures, and ultimately in the communities' development and full autonomy.

Ultimately, and depending on all elements the Judge will retain, we are disposed to find ways to ensure that these communities we represent will benefit from what the Court will decide to do.

We hope that you will consider our arguments for this Set of Principles favorably and we remain at your disposal to answer any question or request for information that you may find of interest in making your recommendations.

Yours sincerely,

Cobi J. Benatoff  
President

Michel Montreuil  
Executive Director

Austria  
Azerbaijan  
Belarus  
Belgium  
Bosnia-Herzegovina  
Bulgaria  
Croatia  
Czech Republic  
Denmark  
Estonia  
Finland  
France  
FYR Macedonia  
Georgia  
Germany  
Greece  
Hungary  
Italy  
Latvia  
Lithuania  
Luxembourg  
Moldova  
Morocco\*  
Netherlands  
Norway  
Poland  
Portugal  
Romania  
Russia  
Slovakia  
Slovenia  
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Switzerland  
Ukraine  
United Kingdom  
Yugoslavia

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## **ECJC Proposal on the Swiss Bank Settlement**

### **To the attention of Judge Korman**

### **US Federal Court, New York**

#### **Background**

The European Council of Jewish Communities and its Committee on Restitution held a series of meetings and extensive consultations with representative leaders of European Jewish Communities (*cf note<sup>1</sup>*) in Paris (07/99), Riga (10/99) Prague (11/99) and Milan (12/99). It also had meetings with leading officials of major US Jewish organizations involved in the Restitution process and participated to the last Board meeting of the WJRO (*cf note<sup>2</sup>*).

#### **Introduction**

The Shoah nearly destroyed Jewish life in Europe, and European Jewry therefore has a special interest in renewing and rebuilding its communities.

The European Council of Jewish Communities (ECJC), founded in 1968, is the representative organization for 55 Communities and Institutions active in the fields of Education, Social Welfare and Culture in 36 European countries. It also ensures a truly representative and democratic process of decision-making on the principle of one country, one vote.

Beyond its representative role, the ECJC provides European forums for Jewish Education, Social Welfare, Culture and Leadership Development. It organizes pan European and regional programs that bring together Heads of Jewish Social Welfare services, Managers of Old Age Homes, School principals and other groups of community professionals.

The services and programs provided to Holocaust Survivors or Jewish Education to our Youth are mainly provided by our member organizations.

The networking, exchange of best practices, transfer of know how and access to European Union funding are some of the ways in which ECJC acts as an agent of change in improving and upgrading the standards and quality of services and programs existing in Jewish communities in Europe.

Taking the above into consideration, the European Council of Jewish Communities recognizes the importance of dealing with this shameful chapter of European history with dignity, and in a way which ensures European Jewish Communities' interests are fully represented.

## **ECJC Proposal on the Distribution of the Settlement Fund**

Taking into account the requests of its affiliated communities and institutions, and the proposed plan of allocation of the WJRO (*\*see glossary*), the European Council of Jewish Communities calls for the following set of principles to govern the allocation and distribution of funds from the Swiss Bank Settlement.

**Every effort should be made to ensure that assets that can be identified as having belonged to an individual should be restituted to that person or his/her heirs.**

After restitution to this category of primary recipient is provided for, the remaining funds should primarily address the needs of Survivors and also the Victims of Shoah. Many of the Survivors and Victims, through the looted personal properties and assets, their slave labor etc. are likely to have had their assets or the product of their work transferred, at least partially, to Swiss Banks.

- 1- **Survivors:** people who lived in a country at a time when it was under Nazi regime, under Nazi occupation or under the regime of Nazi collaborators.

*ECJC proposes that 55% of the funds be used for direct payments to Survivors.*

- 2- **Victims of Shoah:** Survivors as well as people who fled persecution and the Nazi advance in the Former Soviet Union, known as the flight cases.

*ECJC proposes that 25% of the funds be used for Social services to Victims (Survivors and Flight cases).*

The provider of services should be chosen between existing local, national and international Jewish social welfare agencies by **a European allocating body (see PRINCIPLES FOR ALLOCATION) in partnership with the country community.** A system of external audit and evaluation should be introduced, in which ECJC should participate.

## ECJC Set of Principles

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3- Funds should also be made available for **Jewish communal purposes**, in which the needs of Jewish communities in Europe, themselves survivors, should be primarily addressed.

*ECJC proposes that the remaining 20% of the funds be used for the strengthening the living memory of the Shoah: Jewish Communities.*

ECJC considers that **not less than three-quarter of these funds should be specifically allocated to European communities and institutions**, in order to ensure that through a vibrant future European Jewry shall be a living memorial to those who perished in the Shoah.

In fact **the Shoah was the attempted destruction of Jewish Life in Europe**. The thousands of destroyed communities had developed communal infrastructures and assets that were looted and are likely, at least partially, to have been transferred to Swiss Banks.

This living memory will be guaranteed through education (Schools, Youth Movements, etc.), religious life, culture, and programs to strengthen Jewish Community Life, based on the particular and diverse needs of the Survivor Communities of Europe, which are ECJC core expertise.

In countries where it is not developed, it could also be guaranteed with Shoah-related research and commemoration projects where appropriate, as well as with programs for democracy and tolerance (foundations, schools, universities, etc.) to prevent racism and antisemitism.

### ***PRINCIPLES FOR ALLOCATIONS***

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**ECJC is ready to lead an allocating body for projects in Europe to be set up in association with representatives of the major Jewish organizations operating in Europe**, such as the European Jewish Congress, the Conference of European Rabbis and Bnai Brith Europe. The World Jewish Relief and the JDC should be invited to act as advisers to this body.

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**Allocations should be made on a per capita basis, based on the latest figures of the Institute for Contemporary Jewish Studies of the Hebrew University of Jerusalem, adjusted by the following groups and sliding scales:**

**Rule 1**

European countries should be defined in 3 groups, reflecting their current social and economic situation:

- i- Group 1: all Western European countries (including Greece) in general;
- ii- Group 2: the Baltic States, the Czech Republic, Hungary, Poland, Slovenia, etc.
- iii- Group 3: Albania, Bosnia-Herzegovina, Bulgaria, Croatia, F.Y.R.O.M\*, Romania, the Slovak Republic, Yugoslavia, countries of the CIS\*, etc.

Countries belonging to each group would be subject to a sliding scale, identical among **countries** of the same group, to be agreed by the allocating body. **Group 3 would retain the highest factor and Group 1 the lowest.**

**Rule 2**

A sliding scale would also be introduced to take into account the higher cost of structure for small communities. According to this scale, small communities (below 5,000 people) would retain a certain factor, medium communities (between 5,000 and 100,000 people) a second factor and large communities (above 100,000 people) a third factor.

This scale will remain identical among **communities** of the same group, and will be agreed by the allocating body. **Small communities will retain the highest factor and large communities the lowest.**

The European Allocating body may decide to take particular cases into consideration.

## ECJC Set of Principles

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### NOTES & GLOSSARY

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#### Notes

<sup>(1)</sup> Community leaders of Bulgaria, the Czech Republic, England, Estonia, France, Greece, Holland, Hungary, Italy, Latvia, Lithuania, Norway, Poland, Romania, Russia, the Slovak Republic, Sweden, Switzerland, Ukraine

<sup>(2)</sup> Meetings in October 1999 with the AJC\*, the CC\*, the JDC\*, the JAFI\*, the WJC\* and the WJRO\* (\* see glossary).

#### Glossary:

AJC:	American Jewish Committee
CIS:	Confederation of Independent States
CC:	Conference on Material Claims against Germany
FYROM:	Former Yugoslav Republic of Macedonia
JAFI:	Jewish Agency for Israel
JDC:	American Jewish Joint Distribution Committee
WJC:	World Jewish Congress
WJR:	World Jewish Relief (Central British Fund)
WJRO:	World Jewish Restitution Organization