

FOREIGN CLAIMS SETTLEMENT COMMISSION
OF THE UNITED STATES
UNITED STATES DEPARTMENT OF JUSTICE
WASHINGTON, DC 20579

In the Matter of the Claim of

ATHINA VULPE

Against the Government of Albania

Counsel for Claimant:

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Claim No. ALB-007

Decision No. ALB-158

Rudolph C. Vulpe, Esquire

PROPOSED DECISION

This claim against the Government of Albania is based upon the alleged confiscation of real property and business interests located in the District of Vlore.

Under section 4(a) of Title I of the International Claims Settlement Act of 1949 ("ICSA"), as amended, the Commission has jurisdiction to

receive, examine, adjudicate, and render final decisions with respect to claims of . . . nationals of the United States included within the terms of . . . any claims agreement on and after March 10, 1954, concluded between the Government of the United States and a foreign government (exclusive of governments against which the United States declared the existence of a state of war during World War II) . . . providing for the settlement and discharge of claims of . . . nationals of the United States against a foreign government, arising out of the nationalization or other taking of property, by the agreement of the Government of the United States to accept from that government a sum in en bloc settlement thereof.

22 U.S.C. 1623(a) (1994).

The Governments of the United States and Albania concluded an agreement for en bloc settlement of claims of United States nationals against Albania on March 10, 1995. *Agreement Between the Government of the United States and the Government of the Republic of Albania on the Settlement of Certain Outstanding Claims*, March 10, 1995 (entered into force April 18, 1995) ("Settlement Agreement"). Claims covered by the Settlement Agreement are

the claims of United States nationals (including natural and juridical persons) against Albania arising from any nationalization, expropriation, intervention, or other taking of, or measures affecting, property of nationals of the United States prior to the date of this agreement[.]

Settlement Agreement, Article 1(a).

The claimant herein, ATHINA VULPE, seeks compensation for the alleged expropriation by the Government of Albania in 1948 of real property including a warehouse and "acreage enough to accompany 500 olive trees" which she and her late husband had converted into an income producing business. Specifically, the claimant seeks \$7,000 for the value of the real property including the warehouse and another \$7,000 for business assets including tables and tools necessary to produce olive oil.

Evidence in the record establishes that the claimant and her late husband acquired United States nationality by naturalization on §552(b)(6) , 1944, and September 22, 1927, respectively.

The Commission first notes that a portion of the property that is the subject of this claim was formerly the subject of a claim in the Commission's General War Claims program. At that time, the claimant's husband, George Vulpe, was found entitled to \$3,137.00 as compensation for the loss and destruction during World War II of a warehouse and 385 olive trees located in Valona (now Vlore). *Claim of GEORGE VULPE*, Claim No. W-6936, Decision No. W-13053 (1966).¹

By Commission letters dated February 26, 1996 and May 1, 1996, the claimant's attorney was requested to provide evidence that the warehouse, tables and tools still existed and retained some value in 1948, when the property allegedly was confiscated by the Albanian government. In response, the claimant submitted two affidavits stating that, on visits to Albania in 1958 and 1960, she noticed that "approximately one-third of the building remained after

²Commission records indicate that the claimant also filed a claim in that program for loss and damage to property located in Leuse, District of Permet. Her claim, however, was denied because the Commission was not persuaded that the claimant was the owner of the property in question, and because she was not a United States national at the time of the loss.

the bombing" and that "there were tools and tables that were partially destroyed in the warehouse...." In the second affidavit, the claimant details the potential income that the business allegedly would have produced in future years.

Evidence in the record (including documents contained in the War Claims file) establishes that claimant's husband, George Vulpe, died in Michigan on July 24, 1977 leaving his wife, the claimant, as the sole beneficiary of his estate. The evidence further establishes that, prior to 1948, George Vulpe was the owner of 30,000 square meters (3 hectares) of land located in the town of Vlore.²

The Commission is aware that on or about August 29, 1945, the Albanian Communist regime promulgated the "Agrarian Reform Law." This law provided that land not directly worked by the owner was subject to seizure and redistribution by the government, without payment of compensation to the legal owner. Land Reform Law No. 108, GZ 1945, No. 39. This law was then affirmed by the 1946 Albanian constitution which stated that "land belongs to the tiller." Alb. Const., 1946, Ch. I, Art. 12.

²The Commission's decision in the War Claims Program compensated George Vulpe for the destruction of olive trees on these properties.

Based on the entire record, the Commission determines that the implementation of the Agrarian Reform Law, coupled with the restrictions placed upon non-farming owners and the formation of agricultural cooperatives, had the effect of depriving the claimant's husband of his agricultural land, and thereby constituted an uncompensated expropriation by the Government of Albania. Accordingly, claimant is entitled to an award of compensation for the resulting loss. In this case, claimant has stated that the property was confiscated in 1948. For lack of a precise date, the Commission will deem the taking to have occurred as of January 1, 1948.

The claimant has asserted that the real property claimed for (including the warehouse) had a value of \$7,000 at the time of purchase in 1938 and 1939. However, claimant has not specified the value of the agricultural land alone. Based on its study of the values of various kinds of real property in Albania before and during World War II and thereafter, and based on the documentation available in the War Claims file of claimant's husband, the Commission finds that the agricultural property -- consisting of 3 hectares (7.12 acres) in the town of Vlore -- had a value at the time of expropriation of approximately \$400 per acre, or \$2,900.00.

The claimant also seeks \$7,000 for the remains of the warehouse and business assets including all "of the tables and tools necessary to produce olive oil." As stated above, however, the Commission's War Claims Program found claimant's husband entitled to compensation for the destruction of the warehouse during World War II. In his sworn testimony before the Commission in support of his claim, Mr. Vulpe stated that "the Germans completely destroyed everything." Based on the credibility of that testimony, the Commission found Mr. Vulpe entitled to compensation for the destruction caused by the German military operations.

The Commission has reviewed the recent affidavits submitted by the present claimant asserting that, in 1958 and 1960, one-third of the warehouse remained standing and that partially destroyed tools and tables survived. However, in light of the Commission's previous award for the total destruction of the warehouse, the Commission is not persuaded that the remains of the warehouse or its contents retained any value at the time of confiscation by the Albanian government in 1948. Accordingly, that portion of the claim is hereby denied.

Although the evidence does not support an award to this claimant for the warehouse itself, the Commission's War Claims decision does establish that claimant's late husband once owned a warehouse. Accordingly, claimant is entitled to claim for the tract of land on which the warehouse stood.

Unfortunately, nothing in this claimant's file or in the War Claims file documents the size of that tract. However, notes in the War Claims file indicate that the warehouse itself was approximately 300 feet long and approximately 150 feet wide (for a total area of 45,000 square feet). Based on this evidence, the Commission finds that, prior to 1948, George Vulpe was the owner of a parcel of land in Vlore of at least 45,000 square feet on which a warehouse once stood. Based on claimant's statement and a supporting affidavit from an acquaintance of the Vulpes in Albania, the Commission further finds that this property was expropriated by the Government of Albania, without compensation, in 1948. In the absence of a precise date, the Commission will deem the taking to have occurred as of January 1, 1948. Claimant here is entitled to an award for the resulting loss.

Based on its study of the values of various kinds of real property in Albania before and during World War II and thereafter, the Commission finds that this parcel of real property – consisting of 45,000 square feet of land in the town of Vlore, on which the warehouse once stood -- had a value at the time of expropriation of approximately \$300.00.

In accordance with applicable principles of international law and its decisions in previous claims programs, the Commission further concludes that the claimant is entitled to interest as part of her award, amounting to 6 percent simple interest per annum from the date of loss to the effective date of the Settlement Agreement. Accordingly, claimant is entitled to an interest award of 283.8 percent of her principal award of \$3,200.00, or \$9,081.60.

Under the terms of the Settlement Agreement, the United States government has agreed to advise the Albanian authorities of the issuance of the Commission's awards, so as to prevent any double recovery. A copy of this decision thus will be forwarded to the Albanian authorities in due course.

The Commission therefore makes the following award, which will be certified to the Secretary of the Treasury for payment in accordance with sections 5, 7, and 8 of Title I of the ICSCA (22 U.S.C. §§1624, 1626, and 1627).

AWARD


Claimant, ATHINA VULPE, is entitled to an award in the principal amount of Three Thousand Two Hundred Dollars (\$3,200.00), plus interest from January 1, 1948, to April 18, 1995, in the amount of Nine Thousand Eighty-One Dollars and Sixty Cents (\$9,081.60), for a total award of Twelve Thousand Two Hundred Eighty-One Dollars and Sixty Cents (\$12,281.60).

Dated at Washington, DC and entered as the Proposed Decision of the Commission.

DEC 16 1996


Delissa M. Ridgway, Chair


John R. Lacey, Commissioner


Richard T. White, Commissioner

This decision was entered as the Commission's Final Decision on FEB 18 1997

NOTICE: Pursuant to the Regulations of the Commission, any objections must be filed within 15 days after service or receipt of notice of this Proposed Decision. Absent objection, this decision will be entered as the Final Decision of the Commission upon the expiration of 30 days after such service or receipt of notice, unless the Commission otherwise orders. FCSC Regulations, 45 C.F.R. 531.5 (e) and (g) (1995).