

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

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In the Matter of the Claim of

AFRON CHELI  
QEVERIM CHELI  
SUATJE CHELI  
VICTORIA CHELI

} Claim No. ALB-017

} Decision No. ALB-218

Against the Government of Albania

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Hearing on the record held on April 15, 1997

FINAL DECISION

This claim against the Government of Albania is based upon the alleged confiscation of real property located in Borsh, in the District of Sarande.

The Commission's Proposed Decision, entered on November 18, 1996, awarded each claimant compensation in the principal amount of \$750.00, plus interest in the amount of \$2,233.50, for a total award of \$2,983.50.

By letter dated December 22, 1996, claimants objected to the Proposed Decision, contesting both the valuation of the property and the award of simple (rather than compound) interest. Because claimants have not requested an oral hearing, the Commission issues this Final Decision based on its de novo review of the evidence in the record.

By letters dated January 10, 1997, the Commission advised claimants to promptly submit any additional evidence or information for its consideration. However, the letters explained that the Commission's Proposed Decision established the amount of compensation to which claimants are entitled based on the value of the property *at the time of confiscation*. Inflation in the decades following the 1945 confiscation is not a factor in fixing the value of the property at the time of confiscation.\*

The letters further noted that the purpose of the *interest* award was to compensate for the loss of use of the money that the Albanian Government should have paid to claimants at the time their property was confiscated; and that the Commission has uniformly applied the 6% *simple interest* rate in virtually every claims program it has conducted since 1954. To date, claimants have submitted no further evidence or argument in response to the Commission's January 10, 1997 letters.

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\*The Commission's January 10, 1997 letters also advised claimants that evidence would be required to support their contention that the valuation of the confiscated property should be based on the price of gold in 1945 and 1995, particularly since the price of monetary gold was artificially controlled until the early 1970s. Claimants have submitted no evidence to substantiate this part of their objection.

The Commission has carefully considered claimants' December 22, 1996 letter and has again reviewed the entire record in this claim. However, the Commission finds that the measures of damages applied in this case are in accordance with longstanding Commission precedent and well-established standards in the law of international claims. Thus, claimants' specific objections are without merit.

On the other hand, the Commission is now persuaded -- based on its further review of the record -- that claimants' property had a value of \$4,000.00 at the time of expropriation. Claimants therefore are entitled to principal awards in the amount of \$1,000.00 each as compensation for the loss of their property, dating from August 29, 1945.

As discussed in the Proposed Decision, claimants also are entitled to interest, amounting to 6 percent simple interest per annum from the date of loss to April 18, 1995 (the effective date of the Settlement Agreement). Accordingly, each of the claimants is entitled to an interest award of 297.8 percent of his or her principal award, or \$2,978.00.

The Commission therefore withdraws its awards in its Proposed Decision of November 18, 1996, and enters the awards set forth below, 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 ICSA (22 U.S.C. §§ 1624, 1626 and 1627).

This constitutes the Commission's final determination in this claim.

#### A W A R D S

Claimant AFRON CHELI is entitled to an award in the principal amount of One Thousand Dollars (\$1,000.00), plus interest from August 29, 1945 to April 18, 1995, in the amount of Two Thousand Nine Hundred Seventy-Eight Dollars (\$2,978.00), for a total award of Three Thousand Nine Hundred Seventy-Eight Dollars and Fifty Cents (\$3,978.00).

Claimant QEVERIM CHELI is entitled to an award in the principal amount of One Thousand Dollars (\$1,000.00), plus interest from August 29, 1945 to April 18, 1995, in the amount of Two Thousand Nine Hundred Seventy-Eight Dollars (\$2,978.00), for a total award of Three Thousand Nine Hundred Seventy-Eight Dollars (\$3,978.00).

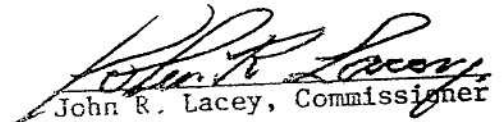
Claimant SUATJE CHELI is entitled to an award in the principal amount of One Thousand Dollars (\$1,000.00), plus interest from August 29, 1945 to April 18, 1995, in the amount of Two Thousand Nine Hundred Seventy-Eight Dollars (\$2,978.00), for a total award of Three Thousand Nine Hundred Seventy-Eight Dollars (\$3,978.00).

Claimant VICTORIA CHELI is entitled to an award in the principal amount of One Thousand Dollars (\$1,000.00), plus interest from August 29, 1945 to April 18, 1995, in the amount of Two Thousand Nine Hundred Seventy-Eight Dollars (\$2,978.00), for a total award of Three Thousand Nine Hundred Seventy-Eight Dollars (\$3,978.00).

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

APR 15 1997

  
Delissa A. Ridgway, Chair

  
John R. Lacey, Commissioner

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

In the Matter of the Claim of

AFRON CHELI  
QEVERIM CHELI  
SUATJE CHELI  
VICTORIA CHELI

Against the Government of Albania

Claim No. ALB-017

Decision No. ALB-218

PROPOSED DECISION

This claim against the Government of Albania is based upon the alleged confiscation of real property located in Borsh, District of Sarande.

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 claimants herein seek compensation for the alleged expropriation by the Government of Albania in 1945 of agricultural land located in Borsh, District of Sarande. At that time, according to claimants, they were the owners of the property, having inherited it from their father, Rapush Cheli, who died in New York in 1925.

In support of their claim, the claimants have submitted evidence of their United States nationality as well as a copy of their father's death certificate and a Certificate of Ownership from the Law-Court of Sarande District.

Evidence in the record establishes that AFRON CHELI was born in New York on §552(b)(6) , QEVERIM CHELI was born in Massachusetts on §552(b)(6) , SUATJE CHELI was born in Massachusetts on §552(b)(6) and VICTORIA CHELI was born in Massachusetts on §552(b)(6)

Based on the evidence in the record, the Commission finds that prior to 1945, the claimants were the owners of 22,000 square meters (22 dynyms) or about 5.4 acres of both cultivated and uncultivated land and orchard located in the village of Borsh, District of Sarande.

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).

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, had the effect of depriving the claimant's father of his property, and thereby constituted an uncompensated expropriation by the



Government of Albania. Accordingly, claimants are entitled to awards of compensation for the resulting loss.

The claimants have not asserted a specific value for their property. However, the Certificate of Ownership indicates that in 1929, the twenty-dynms of uncultivated land for which the claimants are claiming had a value of 700 Albanian francs, the "terraced area" containing over 250 lime and almond trees had a value of 1,500 Albanian francs, and the two-dynym area containing orange and lime trees had a value of 750 Albanian francs.\*

Based on its study of the values of various kinds of real property in Albania before and during World War II and thereafter, together with the evidence before it in this case, the Commission finds that the property described in the Certificate of Ownership in the village of Borsh, District of Sarande, had a value at the time of expropriation of approximately \$800, and that the fruit trees had a value in addition of \$2,200, resulting in a total value of \$3,000.00. Accordingly, claimants are each entitled to an award in the principal amount of \$750.00 as compensation for the loss of their property, dating from August 29, 1945.

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\*Prior to 1932, 1 U.S. Dollar was worth 5 Albanian Francs.

In accordance with applicable principles of international law and its decisions in previous claims programs, the Commission further concludes that the claimants are entitled to interest as part of their awards, amounting to 6 percent simple interest per annum from the date of loss to the effective date of the Settlement Agreement. Accordingly, each claimant is also entitled to an interest award of 297.8 percent of his or her principal award, or \$ 2,233.50.

Under the terms of the U.S.-Albania 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 will therefore be forwarded to the Albanian government in due course.

The Commission therefore makes the following awards, 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).

A W A R D S

Claimant, AFRON CHELI, is entitled to an award in the principal amount of Seven Hundred Fifty Dollars (\$750.00), plus interest from August 29, 1945, to April 18, 1995, in the amount of Two Thousand Two Hundred Thirty-Three Dollars and Fifty Cents (\$2,233.50), for a total award of Two Thousand Nine Hundred Eighty-Three Dollars and Fifty Cents (\$2,983.50).

Claimant, QEVERIM CHELI, is entitled to an award in the principal amount of Seven Hundred Fifty Dollars (\$750.00), plus interest from August 29, 1945, to April 18, 1995, in the amount of Two Thousand Two Hundred Thirty-Three Dollars and Fifty Cents (\$2,233.50), for a total award of Two Thousand Nine Hundred Eighty-Three Dollars and Fifty Cents (\$2,983.50).

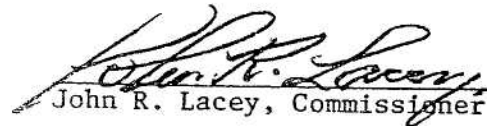
Claimant, SUATJE CHELI, is entitled to an award in the principal amount of Seven Hundred Fifty Dollars (\$750.00), plus interest from August 29, 1945, to April 18, 1995, in the amount of Two Thousand Two Hundred Thirty-Three Dollars and Fifty Cents (\$2,233.50), for a total award of Two Thousand Nine Hundred Eighty-Three Dollars and Fifty Cents (\$2,983.50).

Claimant, VICTORIA CHELI, is entitled to an award in the principal amount of Seven Hundred Fifty Dollars (\$750.00), plus interest from August 29, 1945, to April 18, 1995, in the amount of Two Thousand Two Hundred Thirty-Three Dollars and Fifty Cents (\$2,233.50), for a total award of Two Thousand Nine Hundred Eighty-Three Dollars and Fifty Cents (\$2,983.50).

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

NOV 18 1996

  
Delissa A. Ridgway, Chair

  
John R. Lacey, Commissioner

  
Richard T. White, Commissioner

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).