

**Statement  
by  
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U.S. Department of State  
Washington, DC**

**to the  
U.S. House of Representatives  
Committee on Government Reform  
Subcommittee on Government Efficiency, Financial Management and  
Intergovernmental Relations**

**September 24, 2002**

Mr. Chairman, I appreciate the opportunity to appear before the subcommittee today concerning H.R. 2693, the "Holocaust Victims Insurance Relief Act." The United States Government is committed to securing equitable compensation for Holocaust victims. In pursuit of that goal, we have facilitated prolonged, intense international negotiations and entered into several bilateral agreements to secure speedy resolution of claims. We recognize the importance of ensuring that unpaid insurance policies, issued in Europe during the Holocaust era, are honored, and we have worked steadily to support international cooperative efforts to address and resolve Holocaust-era insurance issues. We recognize and salute the active role of the United States Congress in this cooperative effort.

While we appreciate the purpose behind H.R. 2693 – to provide information about Holocaust-era insurance policies to potential claimants – we have serious concerns with this legislation and the negative impact it could have on the implementation of agreements we have concluded with several countries for the specific purpose of securing payment of survivors' claims.

This legislation's demand for information from European companies on activities that took place in Europe more than 50 years ago, under the threat of sanctions, is contrary to longstanding U.S. policy that matters of Holocaust-era restitution and compensation should be resolved through negotiation, cooperation and dialogue. If passed, this legislation could hinder or prevent important work that a number of established institutions are undertaking to help provide a dignified measure of justice to Holocaust survivors and their families worldwide.

This legislation also would undermine our policy of support for the International Commission on Holocaust Era Insurance Claims ("ICHEIC"), which has reached agreements with European insurers on publication of lists of policyholders who were likely to have been victims of Nazi persecution and has conducted research into public archives throughout Europe and published the results on the Internet. The mandate for broad disclosure of information regarding all policies issued in Europe from 1933 to 1945 – as opposed to information only on those policies issued to individuals who were likely to have been Holocaust victims – could result in the publication of thousands of names of individuals whose claims would not be eligible

for payment and the subsequent creation of unrealistic public expectations. It is also highly likely that some policyholders and/or their heirs will object strenuously to publication on the grounds that it violates their privacy.

### U.S. Policy

With regard to claims for restitution or compensation by Holocaust survivors and other victims of the Nazi era, it is the policy of the U.S. Government that concerned parties, foreign governments, and non-governmental organizations should act to resolve matters of Holocaust-era restitution and compensation through dialogue, negotiation and cooperation. Since the end of World War II, the United States has worked in numerous ways to achieve restitution and compensation for Nazi victims. These efforts also include the work of the United States military during the immediate postwar period.

Recent activities include negotiations that culminated in the creation, under German law, of the Foundation, “Remembrance, Responsibility and the Future” (“Foundation”). In addition to the Foundation, the United States also has encouraged participation in the International Commission on Holocaust Era Insurance Claims (ICHEIC), a voluntary organization that has established procedures for the processing and payment of Holocaust-era insurance claims. As part of the German Foundation agreement, the German Government agreed that insurance claims against German insurance companies will be processed on the basis of claims-handling procedures established by the ICHEIC and any other procedures that have been agreed among ICHEIC, the Foundation, and the German Insurance Association (“GDV”). A 2001 bilateral U.S. agreement with Austria provides that up to \$25 million will be made available from the Austrian General Settlement Fund to cover claims against those Austrian insurance companies that are not already covered through ICHEIC or the German Foundation, and that claims will be processed by an independent panel using ICHEIC claims-handling procedures. In addition, under the U.S.-Swiss Joint Economic Commission (“JEC”), our two countries pledged to support the efforts of the ICHEIC to address Holocaust-era insurance issues expeditiously.

ICHEIC is a voluntary organization that was established in October of 1998 by the National Association of Insurance Commissioners (“NAIC”), in conjunction with several European insurance companies, European regulators, representatives of several Jewish organizations, and the State of Israel. The Association of Insurers in the Netherlands later joined ICHEIC on behalf of the entire Dutch insurance industry. The entire German and Austrian insurance industries are committed to using ICHEIC procedures for Holocaust-era claims as described above.

The U.S. Government has supported ICHEIC since its establishment and believes that it should be viewed as the exclusive remedy for unresolved insurance claims from the National Socialist era and World War II.

Since April 2000, ICHEIC has published 59,244 names (relevant to 86,472 insurance policies) in a searchable format on its website, [www.icheic.org](http://www.icheic.org). The names come from a variety of sources, including research ICHEIC conducted in various European public archives and from lists of policyholders that were provided by ICHEIC member companies and then cross-matched

with Yad Vashem's database of Holocaust victims. ICHEIC is expected to publish an additional 2,000 names on its website this week.

The United States welcomed the September 19 announcement by ICHEIC Chairman Lawrence S. Eagleburger that an agreement had been reached with the German Foundation on the processing and payment of insurance claims against the entire German insurance industry. The Administration has strongly supported efforts to conclude the insurance agreement so that valid claims can be paid and humanitarian funds distributed during claimants' lifetimes. With this agreement, some \$100 million from the German Foundation will be made available to pay valid insurance claims against German companies and \$175 million will be distributed by ICHEIC for humanitarian purposes.

A chief component of the ICHEIC-Foundation agreement includes detailed provisions for former Jewish residents of Germany and their heirs to soon have access to the most comprehensive listing ever available of insurance policies issued to Jewish residents of Germany during the National Socialist era. The listing will be developed using information on Jews living in Germany from the 1939 national census that has been compiled by the German Federal Archive, as well as emigration and deportation lists and other registers of German Holocaust victims from various archival sources that have been recommended by experts. German insurance companies with existing electronic databases will provide information on policyholders, which will be matched with the listing compiled from the census and archival registers. Furthermore, the agreement provides that the ICHEIC claims database, which contains a significant percentage of claims that do not name a specific company, will be cross-matched with an electronic list of policies provided by German insurance companies.

As is the case with names currently published on ICHEIC's website, the listing generated from the provisions in the ICHEIC-Foundation agreement will be used to assist potential claimants. All actual claims will be researched by the companies using all of their records, regardless of whether the names are in an electronic format.

The U.S. Government understands that the members of ICHEIC— especially those representatives of the Conference on Jewish Material Claims Against Germany, the Jewish Agency for Israel, representatives of the State of Israel, U.S. state insurance regulators, and individuals who are themselves Holocaust survivors — all accept the ICHEIC-Foundation agreement as a valid and worthy result. They have endorsed the agreement's key provisions for publishing the most comprehensive list possible of German policyholders who may have been Holocaust victims.

All parties within ICHEIC have worked intensely for the past two years with the German Foundation to resolve the details of cooperation and establish a credible resolution mechanism for claims made against all German insurance companies. If passed, H.R. 2693 would undermine the agreement between ICHEIC and the Foundation, as well as ICHEIC's previous efforts — all of which have been supported by victims' and other Jewish organizations and U.S. state insurance regulators — to publish the names of policyholders who were likely to have been Holocaust victims.

We share the frustration of many with the slow pace of progress on paying Holocaust-era insurance claims. But after two years of negotiations, the parties have reached an agreement to do exactly what this legislation seeks to have them do – that is, to create usable lists of Holocaust-era insurance policies to facilitate the filing and payment of claims. That agreement should be given the opportunity to succeed. This legislation, however, would impose contradictory obligations, and potentially undermine the cooperation on which the recent agreement is based. In other words, passage of this legislation could frustrate or prevent attainment of the very goals it seeks to achieve.

Although based on legitimate concern for Holocaust survivors, sanctions such as those envisioned by H.R. 2693 divert attention from cooperation to confrontation and could undermine the work of the German Foundation, the ICHEIC and the Austrian General Settlement Fund and the objectives of the U.S.-Swiss Joint Economic Commission. Threats interfere with the conduct of international business, especially in the cases of insurance companies that have agreed to participate in the ICHEIC claims process to pay outstanding claims from the National Socialist era. Punitive measures will shift the focus away from the claims resolution we all desire to a debate over those actions.

In conclusion, it is the Department of State's view that H.R. 2693 would not be in the best interests of claimants on Holocaust-era insurance policies, many of whom are elderly Holocaust survivors, who have waited for justice that has been too long denied. I urge you, Mr. Chairman, and members of the subcommittee, to take this into account during your consideration of a bill that puts undue pressure on European insurers to report to the Department of Commerce, rather than through internationally agreed channels, and detracts from the public interest in furthering the purposes of institutions that have widespread national and international support and seek to help claimants receive a measure of justice in their lifetimes.

I thank you for the opportunity to appear before you today.

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