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

In the Matter of the Claim of

VIOLET KAVO VELI ROSE KAVO MUZAK KAVO Claim No. ALB-278 Decision No. ALB-175

Against the Government of Albania

Hearing on the record held on February 24, 1997

FINAL DECISION

This claim against the Government of Albania is based upon the alleged confiscation of real property located in the vicinity of the village of Delvine, in the District of Gjirokaster.

By Proposed Decision entered on November 18, 1996, the Commission made awards to claimant in the principal amount of \$500.00 each (plus interest from August 29, 1945 to April 18, 1995, in the amount of \$1,489.00), as compensation for their one-third interests in the claim for the confiscation of 226.41 acres of grazing land from their father.

By letter dated December 15, 1996, claimant VIOLET KAVO VELI stated objection to the Commission's decision, asserting that the Proposed Decision under-valued the land and that the rate of interest awarded was too low. In support of the objection, claimant subsequently submitted a sworn statement by her aunt, Megie Shtino, who attested that the land at issue was "prime grazing land," with many fruit trees, and was sufficient to sustain many families who would spend the winter on the property (with their livestock), paying rent to the family. According to the affiant, some of the land is now used as farmland, to grow crops.

Because claimant has not requested an oral hearing, the Commission issues this Final Decision based on its de novo review of the evidence in the record.

The Commission has carefully considered claimant's statement of objection and has again reviewed the complete file in this claim, including the most recent affidavit. Based on the entirety of the record, and the Commission's study of the values of various kinds of real property in Albania before and during World War II and thereafter, the Commission is now persuaded that claimant's father's property had a value of \$3,000.00 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 father's property, dating from August 29, 1945.

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Claimant has submitted no evidence or argument to justify a rate of interest greater than the 6 percent simple interest per annum awarded in the Proposed Decision. Indeed, as the Commission's January 8, 1997 letter explained, the 6 percent interest rate has been uniformly applied by the Commission in virtually every international claims program it has conducted since 1954. There is therefore no basis upon which to change the rate of interest awarded in the Proposed Decision.

For the reasons set forth above, the Commission concludes that claimants are entitled to awards in the principal amount of \$1,000.00 each, as well as 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 the awards in its Proposed Decision of November 18, 1996, and enters the awards set forth below, which will be certified to the Department of 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).

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 double recovery in a claim. A copy of this decision therefore will be forwarded to the Albanian Government in due course.

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

AWARDS

Claimant VIOLET KAVO VELI 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 ROSE KAVO 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 MUZAK KAVO 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).

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Dated at Washington, DC and entered as the Final Decision of the Commission. FEB 2 4 1997

Lacey, Commissioner R.

Richard T. White, Commissioner

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

In the Matter of the Claim of

VIOLET KAVO VELI ROSE KAVO MUZAK KAVO

Claim No. ALB-278 Decision No. ALB-175

Against the Government of Albania

PROPOSED DECISION

This claim against the Government of Albania is based upon the alleged

confiscation of real property located in the vicinity of the village of Delvine,

District of Gjirokaster.

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, VIOLET KAVO VELI, ROSE KAVO and MUSAK KAVO, seek compensation for the alleged expropriation by the Government of Albania in 1945 of "2,350 acres" of grazing land located in the vicinity of the village of Delvine, District of Gjirokaster. At that time, according to the claimants, the property was owned by their father, Hulusi Kavo (also known as Hulo Tahir Kavos), a national of the United States since 1927.

In support of their claim, the claimants have submitted a copy of a "Transcript Note" from the Court of Delvine, Branch of the Ipotekave, District Council Archives of Gjirokaster, together with an English translation. That

document identifies Hulusi Kavo as the owner of a one-third interest in the property in question, purchased for 4,000 "gold francs" in 1936. In addition, the claimants have submitted evidence relating to their own and their father's United States nationality. They have also submitted a copy of their father's will and a copy of his death certificate.

Based on the evidence in the record, the Commission finds that prior to 1945, Hulusi Kavo was the owner of 916.67 dynyms (91.67 hectares or approximately 226.4 acres) of grazing land located in Llazat, in the vicinity of the village of Delvine, District of Gjirokaster.

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 claimants' father of his

property, and thereby constituted an uncompensated expropriation by the Government of Albania. Accordingly, claimants are entitled to an award of compensation for the resulting loss.

The claimants assert that the value of their father's property at the time of expropriation was "unknown." However, the "Transcript Note" which was submitted reflects a purchase price of 4,000 gold francs, which was then equivalent to \$1,333.33. No other evidence of value has been submitted.

Based on the evidence before it, and in the absence of any evidence that would support a higher valuation, the Commission finds that the claimant's father's property, consisting of 91.67 hectares (226.41 acres) of grazing land in the vicinity of the village of Delvine, had a value of \$1,500.00 at the time of expropriation. The Commission further finds that this claim, owned by the late Hulusi Kavo, whose wife predeceased him in 1987, devolved by last will and testament upon his death on November 16, 1987, to his surviving children, the claimants VIOLET KAVO VELI, ROSE KAVO, and MUZAK KAVO. Accordingly, each of the claimants is entitled to a principal award in the amount of \$500.00 as compensation for the loss of their father's property, dating from August 29, 1945.

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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 of the claimants is entitled to an interest award of 297.8 percent of his or her principal award, or \$1,489.00.

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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 ICSA (22 U.S.C. §§1624, 1626, and 1627).

AWARDS

Claimant, VIOLET KAVO VELI, is entitled to an award in the principal amount of Five Hundred Dollars (\$500.00), plus interest from August 29, 1945, to April 18, 1995, in the amount of One Thousand Four Hundred Eighty-Nine

Dollars (\$1,489.00), for a total award of One Thousand Nine Hundred Eighty-Nine Dollars (\$1,989.00).

Claimant, ROSE KAVO, is entitled to an award in the principal amount of Five Hundred Dollars (\$500.00), plus interest from August 29, 1945, to April 18, 1995, in the amount of One Thousand Four Hundred Eighty-Nine Dollars (\$1,489.00), for a total award of One Thousand Nine Hundred Eighty-Nine Dollars (\$1,989.00).

Claimant, MUZAK KAVO, is entitled to an award in the principal amount of Five Hundred Dollars (\$500.00), plus interest from August 29, 1945, to April 18, 1995, in the amount of One Thousand Four Hundred Eighty-Nine Dollars (\$1,489.00), for a total award of One Thousand Nine Hundred Eighty-Nine

Dollars (\$1,989.00).

Dated at Washington, DC and entered as the Proposed Decision of the Commission. NOV 18 1996

Commissioner Lacey. ohn

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).