

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

In the Matter of the Claim of	}	
	}	
	}	
JANI LIGOR PANAJOTI	}	Claim No. ALB-099
PETER PIRO PANAJOTI	}	Claim No. ALB-167
	}	
	}	Decision No. ALB-276
	}	
Against the Government of Albania	}	

Oral Hearing held on April 15, 1997.

FINAL DECISION

These claims against the Government of Albania are based upon the alleged confiscation of real and personal property located in the city of Fier.

By Proposed Decision entered on February 24, 1997, the Commission denied claimants' claims, based on its finding that the Albanian government returned a house, 1365 square meters of land, and two warehouses (occupying areas of 83 and 178 square meters, respectively) to the claimants and their family. The Commission also denied other parts of claimants' claims -- for the

contents assertedly confiscated from four warehouses in June 1945, and for two warehouses said to have been confiscated and destroyed in either 1945 or 1963. The Commission noted that, although there was some evidence of confiscation in 1945 of certain paper products and machinery from the warehouse(s), there was no evidence of the value of the property at the time of confiscation; and there was no documentary evidence to definitively establish the date the two warehouses themselves were confiscated. Finally, the Commission denied claimants' claim for the alleged confiscation of the furnishings of the residence, and for their father's alleged 50 percent ownership of a paper bag factory, for lack of credible evidence.

By letter dated March 17, 1997, claimant PETER PANAJOTI objected to the Commission's Proposed Decision and requested an oral hearing, which was held on April 15, 1997.

At the oral hearing, claimant PETER PANAJOTI appeared on his own behalf and on behalf of the other Panajoti family claimants, reiterating their claims before the Commission.¹ Specifically, claimants sought compensation for

¹The Commission notes that Viktor Panajoti (Claim No. ALB-131), Oneda Panajoti (Claim No. ALB-130), and Panajot Panajoti (Claim No. ALB-132) also have an interest in this claim. Only claimants Peter Panajoti, Jani

(1) repairs to the house that has now been returned to them, as well as the household furnishings said to have been confiscated in 1945-1946; (2) the destruction of two warehouses and the confiscation of the underlying land, used for construction of a museum; (3) the contents of four warehouses, assertedly confiscated in 1945; and (4) the confiscation of a paper bag factory, in which their father is said to have had a 50 percent ownership interest.

In support of the claim for compensation for repairs to the family's house, Mr. Panajoti testified that although the house has been returned, it was returned in damaged condition and required extensive repair. According to Mr. Panajoti, squatters moved into the house and destroyed it after it was released by the Albanian government. The Commission explained, however, that in order to recover for damage to the house, the family would have to establish that the value of the house in its returned state was less than the value of the house when it was taken in 1945 plus interest until its return in 1995. The Commission further noted that Ligor Panajoti -- father of claimants JANI LIGOR PANAJOTI,

Panajoti and Viktor Panajoti have established their U.S. nationality. They were born abroad to a U.S. citizen father, Ligor Panajoti, who acquired U.S. citizenship by naturalization on March 21, 1921.

PETER PIRO PANAJOTI, and Viktor Panajoti (Claim No. ALB-131), and grandfather of claimants Oneda Panajoti (Claim No. ALB-130) and Panajot Panajoti (Claim No. ALB-132) -- testified in the Commission's General War Claims Program that the house was severely damaged by German forces in 1944. Claimants were therefore requested to provide some evidence of the date of confiscation of the house, its condition at that time and the amount spent to rebuild it after its destruction in 1944 and prior to its confiscation. The Commission also requested some evidence of the current value of a comparable house in Fier.

Second, Mr. Panajoti restated his claim for the contents of four warehouses, allegedly confiscated in 1945. Third, Mr. Panajoti stated that the Albanian government built a museum on a portion of the land surrounding the house. In order to build the museum, the government reportedly destroyed two of the four warehouses and took the underlying land. On these points, the Commission requested some evidence of the size of the land taken in order to build the museum, some evidence of the value of the two warehouse buildings

that were destroyed, some evidence of the value of the confiscated contents of the four warehouses and some evidence of Ligor Panajoti's ownership of a paper bag factory.

After the oral hearing, by letter dated November 10, 1997, claimant PETER PANAJOTI submitted several documents and photographs in support of his family's claims. In that letter, he further advised that the family is no longer claiming for the land taken for the museum, since they have been informed that it may be returned to them.²

The Commission has again reviewed the entire record in this matter, including the testimony at the oral hearing and the recently submitted documents and photographs -- inter alia, an estimate for the construction of a house similar to the Panajoti family home, an estimate for the repair of the family home to make it habitable, estimates of current construction costs to build two warehouses similar to the two that were destroyed, and an estimate of the value of the contents of the four warehouses.

²As the Proposed Decision indicated (at footnote 2), a decision of the Albanian Commission on the Return of Property and Compensation to Former Owners granted claimants' family the right of first refusal to purchase the museum when it is privatized.

Unfortunately, the record in this case still will not support an award of compensation for repairs to the family's house. No evidence has been submitted to establish the extent to which the damage to the house occurred before the Albanian government released it and squatters moved in. Nor is there any evidence that the Albanian government is responsible for the acts of the squatters. In any event, even if the house was uninhabitable before the squatters moved in, there is no evidence of the condition of the house when it was confiscated by the Albanian government. Nor is there any evidence of the cost of post-War repairs to the house.³ There is thus no evidence from which the Commission could determine that the value of the house as released by the Albanian government was less than the value of the house when confiscated, plus interest. Accordingly, there is no basis on which to change the result reached in the Proposed Decision on that portion of the claim.

The Commission's independent investigation in Albania and documents submitted by the claimants reflect that claimants' father owned certain

³Although the Panajoti family was requested to provide some evidence of the date of confiscation of the house, its condition at the time and the cost of rebuilding the house after its destruction in 1944 and prior to its confiscation, no such evidence was submitted.

warehouses containing paper products, supplies, machinery, and equipment; and that the contents of the warehouses were confiscated on or about June 7, 1945. Although claimants have asserted that two of the warehouses were destroyed in 1963 and have claimed for their destruction as of then, the Commission finds that claimants' father had no rights to the warehouses after June 1945. Therefore, claimants are entitled to awards of compensation for their interests in the claims for the confiscation of two of the four warehouses and the confiscated contents of the four warehouses, dating from June 7, 1945.

The Commission has reviewed the photographs and estimates submitted by claimants to establish the value of the two warehouse buildings at issue. According to claimants, the cost of building two similar warehouses now would range between \$6,300.00 and \$18,264.00.⁴ However, they have submitted no evidence as to the value of the warehouses at the time of confiscation. Based on its own study of the values of various kinds of real property in Albania before

⁴Claimants have stated that the two warehouses that were razed measured 24 square meters and 52 square meters, respectively, and were 5 meters high.

and during World War II and thereafter, the Commission finds that the two warehouses at issue had a total value of \$8,000.00 in 1945 ⁵.

The only evidence of the value of the contents confiscated from the four warehouses in June 1945 -- the recent statement of PETER PANAJOTI -- asserts that the various machines and equipment had a 1945 value of \$12,100.00. However, he has provided no basis for that figure. Nor has he provided any estimate of the value of the processed and unprocessed paper that was confiscated.

In the absence of other credible evidence, using the customary method applied in its General War Claims Program, the Commission finds that the value of the confiscated machinery, equipment, and paper products and other supplies was equivalent to approximately 25 percent of the value of the four warehouses in 1945, or \$8,750.00. According to the documentation submitted by the claimants, their father was a one-half owner of that property. Thus, claimants' father's interest in the claim for the contents of the warehouses had a value of \$4,375.00 at that time.

⁵The Commission has estimated the 1945 value of the four warehouses at approximately \$35,000.00, noting that the other two warehouses are said to have measured approximately 260 square meters.

Claimants have submitted no new evidence in support of their claims for the loss of household furnishings and a half interest in a "sizeable" paper-bag factory. Under the circumstances, there is no basis on which to change the result reached on those parts of the claim in the Commission's Proposed Decision.

The Commission notes that claimants' father, Ligor Panajoti, died intestate in the state of Connecticut in 1971 and was survived by his wife, Antigoni Panajoti, and four sons (including claimants here and Viktor Panajoti). Based on the intestate succession law of Connecticut, each claimant is thus entitled to compensation based on his ownership of a one-fifth interest in his father's claim.

For the reasons set forth above, the Commission concludes that each of the claimants is entitled to an award of \$875.00 for his interest in the contents of the four warehouses (dating from June 7, 1945), and an award of \$1,600.00 for his interest in the two warehouses (also dating from June 7, 1945).

In accordance with applicable principles of international law and its decisions in previous claims programs, the Commission further concludes that claimants are entitled to interest as part of their awards, 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 claimant is entitled to an interest award of 299.2 percent of his principal award of \$2,475.00, or \$7,405.20.

The Commission therefore withdraws the denial of these claims entered in its Proposed Decision and instead 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 International Claims Settlement Act of 1949, as amended (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 any 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 these claims.

ALB-099
ALB-167

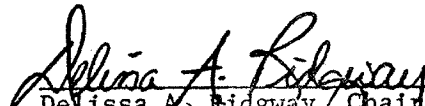
A W A R D S

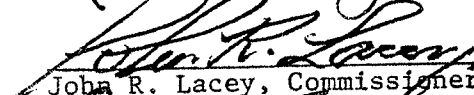
Claimant JANI LIGOR PANAJOTI is entitled to an award in the principal amount of Two Thousand Four Hundred Seventy-Five Dollars (\$2,475.00), plus interest from June 7, 1945 to April 18, 1995, in the amount of Seven Thousand Four Hundred Five Dollars and Twenty Cents (\$7,405.20), for a total award of Nine Thousand Eight Hundred Eighty Dollars and Twenty Cents (\$9,880.20).

Claimant PETER PIRO PANAJOTI is entitled to an award in the principal amount of Two Thousand Four Hundred Seventy-Five Dollars (\$2,475.00), plus interest from June 7, 1945 to April 18, 1995, in the amount of Seven Thousand Four Hundred Five Dollars and Twenty Cents (\$7,405.20), for a total award of Nine Thousand, Eight Hundred Eighty Dollars and Twenty Cents (\$9,880.20)

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

MAY - 4 1998


Delissa A. Ridgway, Chair


John R. Lacey, Commissioner


Richard T. White, Commissioner

FOREIGN CLAIMS SETTLEMENT COMMISSION
OF THE UNITED STATES
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In the Matter of the Claim of

JANI LIGOR PANAJOTI
PETER PIRO PANAJOTI

Against the Government of Albania

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} Claim No. ALB-099

} Claim No. ALB-167

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} Decision No. ALB-276

PROPOSED DECISION

These claims against the Government of Albania are based upon the alleged confiscation of real and personal property located in the city of Fier.

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).

Claimant JANI PANAJOTI seeks compensation for his interest in two warehouses, a two-story, eight-room house and its furnishings, the contents of four warehouses and the land on which the house and warehouses were built, all said to have been expropriated by the Albanian government in 1945. In subsequent correspondence with the Commission, claimant has stated that two of the warehouses have been returned but that two others were destroyed by the Albanian government in 1963.

Claimant PETER PANAJOTI seeks compensation for his interest in a two-story eight-room house situated on 1365 square meters of land. According to the claimant, part of this property was expropriated and a museum was built on the property. The claimant states that, although the house has now been returned to the family, it requires at least \$17,000 worth of repairs. In addition, the claimant seeks compensation for the destruction by the Albanian government of four warehouses and their contents. Finally, claimant states that his father owned a fifty percent partnership in a paper bag factory in Fier (which he values at \$2,000,000), which was also expropriated by the Albanian government.

According to the claimants, expropriation of all these properties took place in 1945,¹ at which time they were owned by Ligor Panajoti (who was naturalized as a U.S. citizen in 1921). Claimants further state that, upon their father's death in Connecticut in 1971, the claim to those properties was inherited by his sons, claimants JANI PANAJOTI and PETER PANAJOTI, Viktor Panajoti (Claim No. ALB-131) and the late Llazar Panajoti. The two children

¹In subsequent correspondence with the Commission, claimant PETER PANAJOTI has stated that, after his mother and brothers were removed from their residence, his mother was allowed to live in one of the warehouses that was converted into an apartment. She lived there until her death in 1995.

of Llazar Panajoti have also filed separate claims (Claim Nos. ALB-130 and ALB-132).

Evidence in the record establishes that the claimants' father acquired United States nationality by naturalization on March 21, 1921 and that the claimants were both born in Albania after their father's naturalization. Evidence in the file also indicates that claimants' mother, an Albanian, survived her husband and died in Albania in 1995.

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 claimants' father alleged that German forces damaged his property, consisting of a residence and 2,000 square meters of real property located in Fier, together with a paper bag factory, buildings, equipment, material and stock. In support of his claim he submitted numerous statements from individuals who averred that Mr. Panajoti's warehouses, which were filled to capacity, were either looted or burned by the Germans in August 1944. That claim was denied, however, because claimants' father failed to establish ownership of rights and interests in the property at issue

there. *Claim of LIGOR I. PANAJOTI*, Claim No. W-13507, Decision No. W-15165 (1966).

Claimants' father objected to that decision and requested an oral hearing. Following that hearing (held on November 10, 1966, at which the present claimant PETER PANAJOTI acted as a translator for his father), the Commission affirmed its Proposed Decision. After the Commission's Final Decision issued on December 1, 1966, the Commission received a "Closing Report" from its European Office. That report indicated that the Commission's independent investigation (conducted through interviews of Albanian businessmen) had produced no corroborating evidence in support of Mr. Panajoti's claim, and contradicted a number of his assertions. Accordingly, the Commission took no further action in the matter. Under cover of its letter dated November 7, 1996, the Commission sent to the present claimants a copy of the contents of their father's War Claims file, including this "Closing Report." To date, no response or explanation has been received.

The Commission's recent investigation of the claimants' claim, conducted by an independent consultant in Albania, has located evidence in the Hipoteka of Fier establishing that Ligor Panajoti owned a two-story house and

four warehouses in Fier. Based on the documents of ownership, the Albanian Commission on the Return of Property and Compensation to Former Owners, by Decision No. 32 dated November 30, 1993, recognized the heirs of Ligor Panajoti as owners of a two-story, eight-room house (occupying an area of 147 square meters), as well as two warehouses (occupying, respectively, areas of 83 and 178 square meters), and returned the properties to the family. Similarly, the Albanian Commission has decided to return the remaining unoccupied area of 1365 square meters to the heirs of Ligor Panajoti.²

The Commission has carefully reviewed the record both in the War Claims file and in the claim file currently before the Commission. There is no evidence in the record indicating that the claimants or the other heirs of Ligor Panajoti have taken any steps to formally renounce the Albanian Commission's decision returning the house and the 1365 square meters of land to them. Because U.S.-Albania Settlement Agreement does not permit double recovery by

²Although part of this area is occupied by a museum, the Albanian Commission's Decision No. 155 (dated November 24, 1994) granted the heirs of Ligor Panajoti the right of first refusal to purchase the museum when it is privatized.

a claimant, the Commission is precluded from awarding compensation for those properties. Therefore, that portion of the claim must be denied.

The Commission further notes that two warehouses, occupying areas of 83 and 178 square meters, have also been returned to the claimants. In light of the return of the two warehouses to the heirs of Ligor Panajoti, that portion of claimants' claim also must be denied. Although both claimants assert that the other two warehouses were confiscated and destroyed, there are conflicting statements as to the date of confiscation (1945 vs. 1963) and no evidence on this point. Accordingly, that part of the claim must be denied as well.

The claimants also seek compensation for the contents of the four warehouses. In support of this portion of the claim, they have submitted a "Certification" dated March 10, 1993 from the Fier District Council Archive Office, which indicates that certain paper products and machinery were confiscated from the warehouse(s) of Ligor Panajoti in 1945. However, claimants have submitted no evidence of the value of the property at the time of confiscation. Thus, this part of the claim also is denied.³

³Nor have claimants submitted sufficient evidence to substantiate their assertion that the "Certification" understates the amount of property confiscated.

Finally, the claimants have submitted no evidence in support of their claim for the alleged confiscation of the furnishings of the residence (such as a listing of specific items and their values at the time). Nor have they submitted any credible evidence to substantiate their father's alleged fifty-percent ownership of a paper bag factory.

Section 531.6(d) of the Commission's regulations provides:

The claimant shall be the moving party, and shall have the burden of proof on all issues involved in the determination of his or her claim.

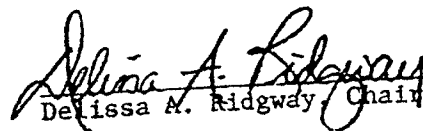
45 C.F.R. 531.6(d) (1995).

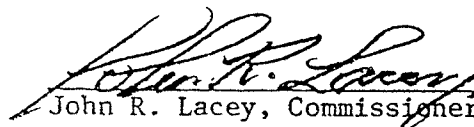
In the absence of any corroborating evidence and in light of the "Closing Report" contained in the War Claims file, the Commission finds that the claimants have failed to establish their father's interest in a paper-bag factory in Fier and the existence of any household furnishings or their value. Accordingly, this portion of the claim must also be and is hereby denied.

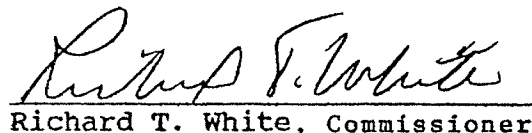
The Commission finds it unnecessary to make determinations with respect to any other element of this claim.

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

FEB 24 1997


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).