

SIR,—

Foreign Office, S.W. 1, 10th September, 1920.

With reference to your notes, Nos. B. 277, B. 1695, B. 3539, and B. 3699, of 1st March, 17th May, 27th July, and 5th August last respectively, relating to the release of certain property belonging to German consular officers who were serving in the United Kingdom at the outbreak of the late war, I have the honour to inform you that it has now been decided to release such property belonging to German Consuls de Carrière in so far as it consists of personal effects, household furniture, and private bank balances. Similar treatment will be accorded to consular archives and official furniture and effects, in so far as they have not been released already.

His Majesty's Government regret, however, that they are unable to regard any other property belonging to Consuls de Carrière as entitled to exceptional treatment, and such property must therefore be dealt with in accordance with the terms of the Peace Treaty.

No privileged treatment can be extended to the property of trading or unsalaried Consuls.

The above decisions are being communicated to the Public Trustee and to the Clearing Office of Enemy Debts, to which Departments copies of your above-mentioned notes are being sent in order that the necessary action may be taken in each case.

The question of the release of property owned by German consular officers in India and various of His Majesty's dominions and colonies, which formed the subject of your notes Nos. B. 272, B. 2083, B. 3546, and B. 4400, of 9th March, 18th May, 27th July, and 3rd September, and other correspondence, is still under discussion with His Majesty's Secretaries of State for India and the Colonies respectively, but I hope shortly to be able to communicate to you the decisions reached in these and similar cases.

Herr Friedrich Sthamer.

I have, &amp;c.,

ERIC PHIPPS, for the Secretary of State.

#### BANK BALANCES OF EX-ENEMY CONSULAR OFFICERS.

18. Despatch dated 29th November, 1920, advised that His Majesty's Government have not found it practicable to release the private bank balances (including accumulated interest and dividends) belonging to the consular officers of ex-enemy States in so far as such balances constitute "debts" under the economic clauses of the various Peace Treaties, otherwise than in accordance with the procedure set up under those treaties. Consular officers concerned are therefore advised to apply for the release of the balances through the Clearing Office in the usual way.

#### INABILITY OF THE GERMAN GOVERNMENT TO MAKE CASH PAYMENTS DUE UNDER THE CLEARING OFFICE SCHEME.

19. Despatch dated 23rd December, 1920, enclosed the following translation of a letter from the representatives in London of the German Clearing Office, reporting the inability of the German Government to make the cash payments due under the Clearing Office scheme:—

[Translation.]

From the REPRESENTATIVE of the REICHS CLEARING OFFICE, London.

SIR,—

16th December, 1920.

I have the honour to submit the following:—

The German Government, at the end of November, 1920, informed the British Government (explaining in detail the position of economic need in which the German Reich finds itself) that the monthly cash payments of the debit balances resultant upon the clearing procedure seriously endangered the economic existence of Germany, and that Germany has already touched the extreme limit of the possible in obtaining the foreign bills and cheques necessary to meet the payments of debit balances which fell due at the beginning of November, 1920. In consequence of the circumstances outlined in this note from the German Government, the Reichsausgleichsamt is not in the position at present to obtain the necessary means to meet the cash payments due now. Much to the regret of the Reichsausgleichsamt, the latter is obliged to refrain for the present from making the cash payment of the amount due.

I have, &amp;c.,

A. V. FRIEDBERG.

To the Controller of the Clearing Office, E. S. Grey, Esq., Cornwell House.

#### RELEASE OF PROPERTY OF NEUTRAL SUBJECTS FORMERLY GERMAN NATIONALS BY CUSTODIAN OF ENEMY PROPERTY.

20. Despatch dated 7th January, 1921, forwarded copy of correspondence with the Danish Minister indicating the general policy of His Majesty's Government with regard to the property of Danish subjects who were formerly German nationals.

The following is the text of the reply from the Secretary of State for Foreign Affairs:—

With reference to the note, No. 305, which Monsieur H. de Grevenkop Castenskiold was good enough to address me with on 12th November, I have the honour to inform you that it is not possible for the Public Trustee, as Custodian, to give any general direction in respect of property alleged to belong to persons who have acquired Danish nationality.

I would venture to suggest that all applicants should be informed that they should approach the Custodian direct, submitting with their application a certificate from the competent Danish authority that the applicant will acquire Danish nationality *ipso facto* and will lose German nationality, and that the applicant has renounced the right to opt for German nationality. This certificate should be legalized by one of His Majesty's Consuls, and be accompanied by all the necessary documents in support of the application proving that the securities in question were the absolute property of the applicants on the 4th August, 1914, or under what circumstances they had acquired such property since that date.

If, in fact, the Danish subjects in question have acquired property which, in accordance with the provisions of the Treaty of Peace and of the Treaty of Peace Order made in pursuance thereof, was the property of German nationals on the 10th January, 1920, and was subsequent to that date acquired by persons who now claim Danish nationality, His Majesty's Government would not be prepared in such cases to recognize the rights of the Danish nationals in question.

As regards, however, property which belonged to persons, who now claim Danish nationality, on the 4th August, 1914, or was acquired by them prior to the 10th January, 1920, His Majesty's Government will be prepared to consider their applications for the release of such property on their merits.

#### RELEASE OF PROPERTY OF FORMER AUSTRIAN SUBJECTS.

21. Despatch dated 14th January, 1921, enclosed copies of correspondence relative to an inquiry of the Czecho-Slovak Chargé d'Affaires as to the prolongation of the period of six months within which Austrian subjects who have acquired Allied nationality must prove their new nationality in order to obtain the release of property situated in British territory.