



Department for
Business, Energy
& Industrial Strategy

Date for final claims under the Enemy Property Payment Scheme and Baltic States Scheme

Consultation response on date for final
claims under these Schemes



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Introduction

During the Second World War, under the Trading with the Enemy Act 1939, the Government froze assets in British territory owned by residents of enemy countries including the former Nazi Germany, Italy and Japan and countries occupied by them. This was in order to prevent the use of the assets assisting the enemy war effort.

The Enemy Property Payment Scheme was established in 1999 to compensate for the seizure of assets where the original asset owners were victims of Nazi persecution. In addition, the Baltic States Scheme, which has been in operation since the 1960s, compensates asset owners who resided in Estonia, Latvia or Lithuania. Both compensation schemes are administered by an independent Enemy Property Claims Assessment Panel (EPCAP), whose role is to determine these claims. Claimants who are dissatisfied with the decision of the Panel are entitled to lodge an appeal with an Independent Adjudicator who is a senior lawyer.

After over two decades of operation, the Enemy Property Payment Scheme now only receives a small number of claims each year. Following the previous worldwide notification in 2016 a further 24 claims have been lodged, an average of four per year. With the passage of time, the assessment of many of these claims is becoming increasingly difficult as family links become more distant and extended. There have been no claims for many years under the Baltic States Scheme.

Since 1999, the Schemes have considered over 1,300 claims, paying out over £23 million to successful claimants. We are right to be proud of the achievements of these Schemes in ensuring that the rightful owners of the assets or their heirs are properly compensated.

Conducting the Consultation Exercise

A worldwide consultation exercise was undertaken to consider the future of the Schemes.

The consultation ran for six weeks from 06 January 2022 to 31 March 2022 and was made publicly available online.

The Department sought responses from anyone who may be eligible to make a claim under the Schemes and from interested parties such as Jewish relief charities and communal and representative bodies, community groups, including survivor and special interest organisations, and the Ambassadors of the Three Baltic States and Israel. Members of the Panel were also consulted for their views given their longstanding service.

The consultation is available from: www.gov.uk/government/consultations/enemy-property-and-baltic-states-schemes-date-for-final-claims

Summary and Analysis of Consultation Responses

Responses to the Consultation

Five responses were received to the consultation providing views as to the appropriate date for final claims to be lodged. However, one of these responses was blank and was treated as a scheme enquiry.

Responses have also been supplied by professional asset tracers who have commercialised the Schemes by receiving a proportion of any compensation awarded. As such there is a financial motivation to these responses where claims are submitted based on financial merit. Although the Department notes the benefit that claimants receive in having professional support in lodging a claim, this was not the original intention of the Schemes.

Analysis of the responses to the consultation questions are provided below:

Do you consider that 09 September 2022 would allow sufficient time to make a claim under the Schemes?

'No' (General Comments)	'No' (Potential Claim)	'Yes'	No Response
1	2	1	1

Of those that responded 'No', one response made a general point regarding publicising the Schemes and the potential for a further worldwide notification, similar to that issued in 2016 and again as part of this consultation.

Views were expressed, that as only a minimal number of claims have been made in recent years it would not be unreasonable for the Department to continue to administer the Schemes indefinitely.

Concerns were raised over the availability and access to evidence, including delays due to Covid-19.

If you do not consider that 09 September 2022 would allow sufficient time to make a claim under the Schemes, what alternative date would you suggest for final claims under the Schemes?

2024	2025	Indefinitely	No Response
1	2	1	1

Reasons for the suggested closure dates were provided:

Suggested Date	Reasons
2024	Provides adequate time for individuals to research and submit claims.
2025	Delays in accessing information due to Covid-19 To align with the 80 th anniversary of the end of World War II
Indefinitely	As only a small number of claims are currently received, the Department could continue to administer the Schemes.

A question was asked regarding the impact that Covid-19 may have had on the submission of claims. This was considered when preparing the consultation response.

Are there any other matters that you consider we should be aware of when making a decision about the date for final claims under the Schemes?

Responses to this question focused on the availability and access to evidence; including difficulties where claimants are now potentially multiple generations removed from the original asset owner or are often only connected through marriage to the original owner.

Enquiries about the Schemes

The Department monitored enquiries about the Schemes both during and following the consultation process. Ten enquiries were lodged with the EPCAP Secretariat and these are summarised below. No new claims were received from individuals. All recent claims have been submitted solely by professional asset tracers.

Number of Enquiries	Enquiry
5	Compensation sought for assets confiscated abroad (in other European countries)
5	Assets not identified or not applicable to the Schemes. This includes requesting compensation for suffering Nazi persecution.

Government Response to the Consultation

The Department expresses its gratitude to those who replied to the consultation. Based on the responses the Government's decision is as follows:

- Final claims shall be lodged with the EPCAP Secretariat, under both the Enemy Property and Baltic States Schemes by 31 March 2023; being 12 months from the end date of the consultation. No new claims have been submitted in response the consultation. Recent claims were initiated prior to the issue of the consultation.
- The Government recognises the problems faced by some potential claimants in obtaining evidence to support claims due to Covid-19, including backlogs caused at National Archives across Europe. To enable claimants to substantiate their claims, the Department will accept partially completed claims as at 31 March 2023 where:
 - An asset has been identified as being available for release.
 - A claimant has been identified and evidence provided of their identity and legal entitlement to the asset.
 - If claimants are represented by a third party, a power of attorney must have been granted to the representative.
- All claims received by 31 March 2023 will be assessed until they are determined by the Panel after the closure date. All claims lodged will be determined by the existing EPCAP Panel.
- Claimants who wish to lodge an appeal against the Panels' decision with the Appeals Adjudicator will continue to be able to do so after 31 March 2023.

Consultation considerations: Closure of the Schemes

The Schemes were not intended to continue for an indefinite period. It was originally intended that all claims would be submitted at the same time to allow the Panel to consider duplicate or competing claims. They were implemented to compensate those directly affected (or their immediate descendants) by the Act and, in the case of the Enemy Property Payment Scheme, Nazi persecution. These events took place nearly 80 years ago.

The Enemy Property Payment Scheme has now been running for over 20 years. As noted in recent years the number of claims has significantly reduced. There has been an average of four claims lodged each year with a small minority being successful. This compares to around 950 claims made in 1999 when the Scheme was first opened. A 2016 worldwide invitation for eligible claimants to apply for compensation did not result in a significant increase in the number of successful claims.

The Baltic States Scheme has been functioning for over 50 years and no claims have been made under it since 2013. In some cases, claims lodged under the Enemy Property Payment Scheme were compensated under the Baltic States Scheme where Nazi persecution was not found.

Given the passage of time since the Second World War, claims under the Schemes have moved down the generations and often to distant relatives related only by marriage. This goes beyond the original intention of the Schemes to compensate those who were directly affected. It also increases the complexity of the assessment process, requiring the Panel to establish a claimant's entitlement under inheritance laws, often through a series of wills. The Schemes were not designed to adjudicate complicated cases involving multiple inheritances.

The passage of time also affects the quality of the evidence available to assess the claims, as first-hand recollections are no longer available.

Compensation under the Schemes was intended for persons directly affected by the Act or their close heirs. Most new claims are no longer received directly from individual claimants, but from organisations that seek to connect often distant or indirect descendants. We understand that in some cases these organisations take a substantial percentage of any compensation recovered under these claims to mitigate the cost of researching unsuccessful claims. The Department recognises the effort of third-party organisations, which has assisted the identification of claimants.

The Panel has now been functioning for more than 20 years and considers that the Schemes have reached their natural conclusion. The Panel has significant experience in assessing these claims over this period and their expertise cannot be easily replaced. If the Schemes were to be continued suitable new assessors would need to be found.

Given the limited number of successful current claims the Schemes are therefore drawing to a natural close.

Next steps

The Department will communicate the outcome of the consultation to stakeholder groups and those with currently active claims.

We continue to welcome new enquiries about potential claims. Please contact the EPCAP Secretariat for further advice and to obtain the claims forms that need to be completed.

epcap.secretariat@beis.gov.uk

This publication is available from: www.gov.uk/government/consultations/enemy-property-and-baltic-states-schemes-date-for-final-claims

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