

January 27, 2008



התנועה למען  
איכות השלטון  
בישראל  
(ע"ר)

The Movement  
for Quality  
Government  
in Israel

**To**  
**The Honorable**  
**Dr. Harald Kindermann**  
**Ambassador of the Federal Republic of Germany**

**Subject: Request for an urgent meeting concerning**  
**"The Conference on Jewish Material Claims against Germany"**

On behalf of The Movement for Quality Government in Israel (hereinafter referred to as "The Movement") we write to you as follows:

1. Founded in 1990, the Movement is a non-partisan, non-profit organization dedicated to promoting better government for all of Israel's citizens. The Movement actively promotes increased transparency and accountability in government. The Movement has grown to approximately 20,000 members and has achieved international recognition for its efforts. In 2005 the Movement received, in Berlin, Transparency International's "Integrity Award" (More information is available at <http://www.mqg.org.il>).
2. The Claims Conference on Jewish Material Claims against Germany (hereinafter referred to as "the Claims Conference") is an international non-profit organization working to secure compensation and restitution for survivors of the Holocaust. The status of the Claims Conference is anchored in an agreement signed with the German Government in 1952.
3. Requests for compensation by the survivors of the Holocaust are delivered to the Claims Conference's main office situated in Frankfurt, Germany. It is our understanding that the Claims Conference is subject to the authority of Germany's State Ombudsman (according to a report published by the Knesset Information and Research Center).



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4. We would like to bring in to your attention the fact that last September an internal report concerning alleged mismanagement within the Claims Conference was drafted for the Jewish Agency, which is a member of the Claims Conference. This report, known as the "Bar Lev report", was commissioned jointly by the Jewish Agency and Israel's Minister for Pensioners Affairs.
5. The findings of the "Bar Lev report" point to a serious mishandling of the organization's funds intended for the benefit of Holocaust survivors. This report reveals that the Claims Conference is sitting on an estimated 900 million dollars of liquid assets in addition to property holdings around the world. In the four year period chronicled by the report, the Claims Conference kept the bulk of these assets and refrained to distribute monies to those entitled to them. It was further found that the internal audit board did not act independently or efficiently.
6. The Bar Lev Report points to a serious lack of transparency and accountability in management of the assets controlled by the Claims Conference.
7. Further, a study by the Movement has uncovered significant conflicts of interests within the Claim's Conference, since members of the Board are also members of organizations financed by the Claims Conference.
8. It is of great urgency that the Claim's Conference be held accountable to the same standards of public management that hold all other public institutions. The matter must be promptly attended since the public that is served by the Claim's Conference are by and large the elderly and infirm.
9. The people of both Germany and Israel need to insist that the Claim's Conference adhere to the highest standards of public behavior.
10. Therefore we would like, through your good offices, to help initiate an investigation by the Ombudsman into the work of the Claim's Conference in order

to insure the proper working of the Claim's Conference mechanism as soon as possible. In this case, the saying that "Justice delayed is justice denied" is particularly appropriate.



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11. We would like to arrange as soon as possible a meeting with you in the very near future to consider the immediate impact of the Claims Conference's mishandling of public funds.

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Your attention to this matter is greatly appreciated.

Sincerely Yours,  
Eli Sullam  
Director General