

**GENERAL
ASSEMBLY****ASSEMBLEE
GENERALE**A/AC.13/NC/71
30 July 1947

ORIGINAL: ENGLISH

SPECIAL COMMITTEE ON PALESTINE

COMMUNICATION FROM THE GOVERNMENT OF PALESTINE
RELATING TO OIL IMPORTS AND EXPORTS

The following letter has been received from the Government of Palestine, relating to oil imports and exports.

GENEVA

27th July 1947.

Sir,

I am directed to refer to the questions regarding oil imports and exports which were put by the Representative of the Netherlands to Government spokesmen at the 6th Meeting of the United Nations Special Committee on Palestine held in Jerusalem on the 16th of June (page 37 of the Summary Record). The Government Representative who replied to those questions undertook to furnish a written statement. This statement is enclosed with this letter for the information of the Committee.

I am, Sir,

Your obedient Servant,

(s.) D.C. MacGillivray,
for Chief Secretary.The Principal Secretary,
United Nations Special
Committee on Palestine,
G E N E V A.

The questions in regard to oil imports and exports put by Dr. Blom at the 6th Meeting of the Committee were as follows:

"Is oil part of the Palestine economic system? Has the oil that is imported and refined here and then exported anything to do with the Palestine economic system? Is it mentioned in the statistics of exports or not?"

Statement in reply

"Since the refinery at Haifa of Consolidated Refineries Ltd. and the pipe-line and other installations of the Iraq Petroleum Company are owned by extra-territorial interests, the income arising from the ownership of the property does not accrue to the people of Palestine. Substantial income does, however, accrue to Palestinians in the form of wages, salaries and payments for services and goods supplied to the oil companies. This income accruing to Palestinians is equivalent to income derived from exports and is an important item in Palestine's international balance of payments.

The figures of total imports and exports in 1946 given at page 41 of the Supplement to the Survey of Palestine include those of crude and refined oil to a value of LP.12,742,706 for imports and LP.9,704,020 for exports.

As regards taxation, the concessions of the Iraq Petroleum Company, the Anglo-Iranian Oil Company (of which Consolidated Refineries Ltd. is a subsidiary) and the Trans-Arabian Pipe Line Company provide for exemption from tax on oil products taken through Palestine for export and from customs duties on stores, equipment and materials required for the work of the undertakings and for their transportation purposes. The oil products marketed locally are not exempt from customs and excise duties and the profits of distributing companies are subject to income tax."