

ECHR 113 (2025) 06.05.2025

Depriving the Jewish Community of Thessaloniki of its ownership of a plot of land acquired before the Second World War was not lawful

In today's **Chamber** judgment¹ in the case of <u>Jewish Community of Thessaloniki v. Greece</u> (application no. 13959/20) the European Court of Human Rights held, unanimously, that there had been:

a violation of Article 1 of Protocol No. 1 (protection of property) of the European Convention on Human Rights.

The case concerned the dismissal in 2019 of the applicant community's demand to be judicially recognised as the sole owner of a plot of land on the grounds that it had been categorised as "enemy property" after the end of the Second World War – although the ownership of the plot had been transferred to them in 1934.

The Court found in particular that the Court of Cassation's 2019 interpretation of the relevant domestic legislation and its application to this case had not been foreseeable. It was not reasonable to expect the applicant community to have known that the property which had already come under its ownership in 1934 would be affected in 1950 and 1955 by the legislation concerning enemy property. The community could not have anticipated the change in the State's stance as regard its ownership of the plot, and nor could it have anticipated the interpretation given to the legislation by the domestic courts as late as 2019.

Principal facts

The applicant, the Jewish Community of Thessaloniki, is a public-law entity (νομικό πρόσωπο δημοσίου δικαίου), founded by royal decree in 1920 and based in Thessaloniki.

Following a fire in 1917 that devastated the centre of Thessaloniki, which for centuries had been home to a Jewish community, a large area in the centre was expropriated in December 1920 to house Jews whose property had been destroyed. One of the expropriated plots, no. 26, which was around 7,400 sq. m in size, belonged to I.S.M., an Italian citizen of Jewish origin. The applicant community paid the amount set in 1934 as provisional compensation for the expropriation into the Deposits and Loans Fund ($T\alpha\mu\epsilon$ io $T\alpha\rho\alpha\kappa\alpha\tau\alpha\theta\eta\kappa\omega\nu$ $\kappa\alpha\iota$ $\Delta\alpha\nu\epsilon$ i $\omega\nu$) in the name of the former owner and published a notice of that payment in the Government Gazette.

Following the invasion of Greece by Italy in October 1940, properties belonging to Italian citizens were deemed to constitute enemy property (Εχϑρικές περιουσίες) and were sequestrated (μεσεγγύηση). Following a peace treaty signed between Italy and the Allies and ratified by Greece in 1947, the Allied signatories were empowered to seize and dispose of enemy properties. The Greek authorities appointed commissioners to handle sequestrated properties; two commissioners were appointed for plot no. 26.

As I.S.M. had been executed by the Nazis in November 1943, I.S.M.'s heirs lodged applications in 1952 seeking the fixing of the final amount of compensation for plot 26; the final amount was fixed by the Thessaloniki Court of Appeal in 1957. At around the same time, in June 1957, the two commissioners

Once a judgment becomes final, it is transmitted to the Committee of Ministers of the Council of Europe for supervision of its execution. Further information about the execution process can be found here: www.coe.int/t/dghl/monitoring/execution.



^{1.} Under Articles 43 and 44 of the Convention, this Chamber judgment is not final. During the three-month period following its delivery, any party may request that the case be referred to the Grand Chamber of the Court. If such a request is made, a panel of five judges considers whether the case deserves further examination. In that event, the Grand Chamber will hear the case and deliver a final judgment. If the referral request is refused, the Chamber judgment will become final on that day.

issued a report on the handover of half of the plot to the State.

The Jewish community paid final compensation to three of the six heirs in 1967; it paid the other half of the final compensation due into the Deposits and Loans Fund in 1969. The Greek State had told the applicant community, in December 1955, not to pay the compensation to three of the heirs, as it had assumed their right to compensation following a Royal Decree (no. 4 of 13 May 1955), which had extended a 1950 Law (no. 1530/1950) to Italian properties, thus transferring relevant properties of Italian citizens to the Greek State "with no further formalities". The Royal Decree had provided a three-month time-limit for third parties claiming property rights to lodge an objection. In January 1966, the Greek State lodged a request for the final compensation that was due to the government. The Thessaloniki Multi-Member Court of First Instance set the final price in 1973, but it cannot be seen from the applicant community's case file whether any proceedings followed that judgment.

According to the Jewish Community of Thessaloniki, it had exercised full property rights over the plot – including sales, leasing and construction on it – until the end of the 1970s, when the Greek State started making various assertions about ownership. In response, the applicant community brought a declaratory action ($\alpha v \alpha \gamma v \omega \rho \iota \sigma \tau \iota \kappa \dot{\eta} \alpha \gamma \omega \gamma \dot{\eta}$) against the State on 7 February 1981, aiming to secure recognition of its property rights. In particular, it referred to the 1920 expropriation, which, as far as plot no. 26 was concerned, had been finalised in 1934, with the payment to the Deposits and Loans Fund of the amount set as provisional compensation. It claimed acquisition by way of *usucapio* (that is, ownership acquired by length of possession) since, between 1920 and 1955, it had been using the property without interruption for more than 30 years – which was the minimum period required by the law at the time for *usucapio*. It further asserted that the Greek government had not acquired any property rights from the heirs of I.S.M., given that in 1955 the plot had already belonged to the Jewish community. Moreover, the Greek government had had no right to receive any compensation, given that it had taken no action since 1955 to assert its ownership of the plot.

The case was heard by the Thessaloniki Court of First Instance in June 1983 and in April 1999. In December 1999, the court ruled that the Jewish Community had acquired property rights by way of usucapio prior to the enactment of Royal Decree no. 4 of 13 May 1955, as it had occupied the plot in question in good faith and as owner ($\mu \varepsilon \kappa \alpha \lambda \dot{\eta} \pi i \sigma \tau \eta \kappa \alpha \iota \delta i \dot{\alpha} vo \iota \alpha \kappa \nu \rho i \sigma \iota$) since 1921 – that is to say for more than 30 years. The fact that the community had acted as owner was proved by various building work that it had carried out, by taxes paid, and by sales and leases of parts of the plot carried out after 1950.

Following an appeal by the Greek State, in July 2005 the Thessaloniki Court of Appeal confirmed that the Jewish community had acquired property rights in respect of the plot in question by virtue of *usucapio* – but only as regards a part measuring 4,588 sq. m, rather than the entire plot measuring 7,332.94 sq. m (which the first-instance court had erroneously awarded to it).

Following an appeal on points of law, the Court of Cassation reversed the appellate court's judgment in March 2008 on the grounds that that court had failed to examine the argument (which had not been raised before the first-instance court) advanced by the Greek State that the 30-year *usucapio* period had been interrupted in 1947 when the Greek State had appointed commissioners and that, in order to secure its property rights over the plot in question, the applicant community ought to have requested that those rights be recognised during the three-month time-limit provided by the Laws of 1950 and 1955. It remitted the case to the Thessaloniki Court of Appeal.

In April 2016 the Court of Appeal upheld the objection, deeming that the Jewish community ought to have sought the recognition of its property rights over the plot within the three-month time-limit, given that the Greek State had indicated — by its appointment of commissioners — its intention to exercise its rights. It dismissed the initial declaratory action of 1981 on the grounds that the applicant community had not claimed its property rights within the time-limit provided by the 1955 Law.

In October 2016 the applicant community appealed on points of law to the Court of Cassation. It argued, amongst other things, that the appellate court had failed to examine its argument that – in any event and regardless of whether or not it had acquired the plot in question by way of *usucapio* – it had acquired title to the plot in question by completing the expropriation through its payment to the Deposits and Loans Fund in 1934 of the amount set as provisional compensation and by the publication of notice of that payment in the Government Gazette. That meant that any property rights of other persons had ceased to exist in 1934 and that the plot in question could therefore not have been considered to constitute "enemy property" – and nor could it have been deemed to be under sequestration during the term of office of the commissioners (1947-1957). The applicant community further argued that the three-month deadline had been very short, and in any case, it had received no notification that the plot would be seized.

In March 2018 the Court of Cassation held that the appellate court had failed to examine the applicant community's argument that the expropriation had already been completed in 1934 and that it had thus acquired title to the plot in question; it could therefore not have been deemed enemy property and sequestrated. The court further held that it should hear the applicant community's 1981 initial declaratory action on the merits and render a final judgment on those.

In September 2019 the Court of Cassation dismissed the applicant community's initial declaratory action. It acknowledged that the 1920 expropriation had been finalised in 1934 (with the payment of the amount set as provisional compensation in the name of the former owner and with the publication of the official notice), and that the title to plot no. 26 had indeed thus been transferred to the applicant community at that time, resulting in the suppression of any other property rights of I.S.M. (and anyone else). However, it deemed that, as the Greek State had sequestrated the plot in question in 1947 when it had appointed commissioners to manage the plot, and the commissioners had then handed over half of the plot to the State on 21 June 1957, the applicant community should have asserted ownership of the plot by bringing an action within the three-month time-limit set provided by Law no. 1530/1950.

Complaints, procedure and composition of the Court

Relying on Article 1 of Protocol 1 (protection of property) to the European Convention, the Jewish Community of Thessaloniki complained that the Court of Cassation's decision had deprived them of their property. It asserted that it had not been informed of the appointment of the commissioners in 1947, and had remained unaware of their appointment, as neither the commissioners nor any governmental official had prevented it from exercising its full ownership rights. Furthermore, it had not reacted within the three-month time limit set by the 1950 and 1955 Laws because that time-limit had only concerned "enemy properties" and not Greek legal entities. They also complained under Article 6 § 1 of the Convention that they had not had a fair hearing.

The application was lodged with the European Court of Human Rights on 28 February 2020.

Judgment was given by a Chamber of seven judges, composed as follows:

Peeter Roosma (Estonia), President, Lətif Hüseynov (Azerbaijan), Darian Pavli (Albania), Oddný Mjöll Arnardóttir (Iceland), Úna Ní Raifeartaigh (Ireland), Mateja Đurović (Serbia) and, Georgios Theodosis (Greece), ad hoc Judge,

and also Milan Blaško, Section Registrar.

Decision of the Court

Article 1 of Protocol No. 1

The Court observed that Greece's acceptance of the right of individual application under the Convention was limited to events taking place after 20 November 1985. As the applicant community had lost its ownership of the contested plot only by the final decision in a series of sets of judicial proceedings that had ended with the Court of Cassation's ruling of 3 September 2019, the applicant community's complaint under Article 1 of Protocol No. 1 fell within that scope.

In examining whether that finding had been foreseeable for the applicant community, the Court observed that the Court of Cassation had acknowledged that plot no. 26 had come under the ownership of the applicant community in 1934 upon payment of the amount set as provisional compensation owed for the expropriation. Even the appointment of commissioners in 1947, whether the applicant community had been informed or not, had not changed the ownership of the plot: the commissioners had been appointed to merely manage the plot, which had been sequestrated but not transferred to the ownership of the commissioners or the State. Nevertheless, the Court of Cassation had concluded that the plot had become the property of the State under the legislation of 1950 and 1955 concerning enemy property even though the plot had not belonged to Italian citizens since 1934.

That had contradicted the Court of Cassation's own case-law, given the fact that it had previously held that, in order for the legislation concerning the transfer of enemy property to have applied to a particular property, the property had to have belonged to Italy or to an Italian citizen on 22 October 1947 or to Germany or to a German citizen on 24 January 1946. By the Court of Cassation's own acknowledgement, that condition had not been met; even the appointment of commissioners had not changed that fact. No explanation as to why the circumstances had warranted a different conclusion had been given. Such obviously conflicting decisions could not be considered lawful for the purposes of Article 1 of Protocol No. 1 to the Convention. The Court failed to see how the applicant community could have foreseen that the legislation regarding enemy property had concerned its own property. As a consequence, the Court of Cassation's 2019 interpretation of the relevant legislation and its application had not been foreseeable.

Moreover, the Court took note of the letter from the State in December 1955 acknowledging that it had succeeded the heirs of I.S.M. in respect of the right to compensation, and the action brought in 1966 seeking the determination of the final price. It followed that until the mid-late 1970s, its long-standing stance had been to take actions aimed at securing compensation, which could only have reinforced the applicant community's belief that it was the legal owner of the plot; it was only after 1975 that it had begun to assert that it actually owned the plot. The lack of consistency in the State's actions over the years had contradicted the principle of "good governance", which required public authorities to act in good time, in an appropriate manner and with the utmost consistency.

The applicant community could not have anticipated the change in the State's stance, and neither could it have anticipated the interpretation given to the domestic legislation by the domestic courts in 2019. There had therefore been a violation of Article 1 of Protocol No. 1.

Article 6 § 1

Having already found a violation of Article 1 of Protocol No. 1, the Court did not find it necessary to examine the complaint under this article.

Just satisfaction (Article 41)

The Court held that Greece was to pay the applicant community 5,000 euros (EUR) in respect of non-pecuniary damage and EUR 40,000 in respect of costs and expenses.

The judgment is available only in English.

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