



Treaty Series No. 7 (1937)

Exchange of Notes

between His Majesty's Government in the United Kingdom
and the Egyptian Government

regarding

Commercial Relations between Palestine and Egypt

Cairo, August 18, 1936

*Presented by the Secretary of State for Foreign Affairs
to Parliament by Command of His Majesty*

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EXCHANGE OF NOTES BETWEEN HIS MAJESTY'S GOVERNMENT
IN THE UNITED KINGDOM AND THE EGYPTIAN GOVERNMENT
REGARDING COMMERCIAL RELATIONS BETWEEN
PALESTINE AND EGYPT.

Cairo, August 18, 1936.

No. 1.

Mr. Yencken to Ali Zaki-el-Oraby Pasha.

The Residency,

Sir,

Ramleh, August 18, 1936.

In accordance with instructions from His Majesty's Principal Secretary of State for Foreign Affairs, I have the honour to inform your Excellency that His Majesty's Government in the United Kingdom of Great Britain and Northern Ireland are willing, in order to facilitate further commercial relations between Egypt and Palestine, to conclude with the Egyptian Government an agreement in the following terms:—

(i) With a view to the development and improvement of trade relations to the mutual advantage of both countries, there shall be periodic meetings between representatives of the Egyptian Government and the Government of Palestine for the discussion of trade matters, including railway rates and the adjustment of the customs tariffs of one country on goods, the produce or manufacture of the other country.

(ii) If at any of the periodic meetings referred to in (i) above an agreement is reached as to the rates of customs duties to be levied in one country on goods, the produce or manufacture of the other, the duties on such goods shall not, otherwise than in exceptional circumstances, be increased beyond the rates so agreed upon, until an opportunity of joint discussion of the matter between representatives of the two Governments has been given. If the duties are so increased without such discussion, on account of exceptional circumstances, the matter shall be discussed at the next periodic meeting held in accordance with paragraph (i) above.

(iii)—(a) As from the 14th February, 1936, the Egyptian customs duty on imported soap manufactured in Palestine and made exclusively from unadulterated olive oil shall not exceed 500 millièmes per hundred kilograms gross, provided that the outer containers thereof bear a Government seal or mark indicating that the soap has been manufactured in factories which are under the supervision of the Health Laboratory of the Palestine Government. Marks on

● soap itself or on the inner wrapper will not fulfil the requirement. This reduction shall only be put into force if it is found possible to determine by laboratory analysis whether the soap is made exclusively from olive oil. The Palestine Government will take all reasonable measures to ensure that only pure olive oil is used in the factories where the soap bearing the Government mark indicated above is manufactured.

(b) The railway tariff on household soap, the manufacture of Palestine, transported by the Egyptian State Railways shall be at the same rate as that charged for the transport of household soap of Egyptian manufacture, excluding the special export tariff and flat rates.

(c) It shall be a punishable offence in Egypt to use any mark, or word, symbol, &c., on soap which will lead the consumer to believe wrongly that such soap is of Palestinian origin. This undertaking will come into effect on the day on which an Egyptian law for the protection of trade-marks and prevention of trade frauds has, after being approved by the General Assembly of the Mixed Court of Appeal, been promulgated.

(iv)—(a) The Palestinian customs duty on melons and water melons imported into Palestine from Egypt during the months of May and June of each year shall not exceed £P. 1 per ton.

(b) The Egyptian customs duty on water melons imported into Egypt from Palestine during the months of July and August of each year shall not exceed £E. 1 per ton.

(v) The Egyptian customs duty on oranges, the produce of Palestine, imported between the 1st May and the 30th September shall not exceed £E. 2 per ton.

(vi) The Egyptian customs duty on imported grapefruit, the produce of Palestine, shall not exceed £E. 1.500 m/ms. per ton for a period of two years.

(vii) The Palestine customs duty on sugar, the produce of Egypt, shall be reduced from the present rate of £P. 10 per ton to a rate to be notified subsequently to the Egyptian Government, but not lower than £P. 5 per ton.

(viii) The present restrictions on the entry into Palestine of mango fruits, the produce of Egypt, shall be removed, provided that these fruits are accompanied by suitable certificates from the competent authorities of the Egyptian Government, stating that the mangoes are free from living pests and diseases.

(ix) The railway tariff on Egyptian tibbon (chopped straw) transported by the Palestine Railways shall be reduced by one class, namely, from 813 m/ms. per ton to 530 m/ms. per ton on the basis of the journey between Kantara and Lydda.

(x) The Egyptian Government will send to His Majesty's High Commissioner, for communication to the Palestine Government, a detailed list of vegetables grown in Egypt which it is desired to export to Palestine in seasons when the supply of such vegetables is short, with a view to enabling the Palestine Government to consider

a reduction of the Palestine customs tariffs on such vegetables so to facilitate their import into Palestine.

(xi)—(a) In regard to customs duties levied in one country on goods, the produce or manufacture of the other, the general policy of the Egyptian and Palestine Governments shall be to reduce the tariffs, with the object of increasing the flow of such goods to the mutual advantage of both countries, to the lowest extent possible, bearing in mind the fact that the reduced duties will also have to be accorded to similar goods, the produce or manufacture of other countries.

(b) The Governments of Egypt and Palestine will each, respectively, cause an investigation to be made to ascertain the goods to which it is possible to apply the policy referred to in paragraph (a) above, and, to assist them in this enquiry, will appoint local representative committees. For the purpose of this investigation the Egyptian Government will make available the services of an official of the Ministry of Commerce and Industry in Egypt, and the Palestine Government will make available the services of an Official of the Department of Customs, Excise and Trade in Palestine.

2. If the Egyptian Government are likewise prepared to conclude the agreement in the terms set forth above, I have the honour to suggest that the present note and your Excellency's reply to that effect be regarded as constituting a formal agreement with effect from this day between His Majesty's Government in the United Kingdom and the Egyptian Government in this matter, which shall remain in force for one year from the date of this note and thereafter until the expiry of three months from the date on which either Government shall have given notice in writing to the other of their intention to terminate the agreement.

I avail, &c.

ARTHUR YENCKEN,
Acting High Commissioner.

No. 2.

Ali Zaki-el-Oraby Pasha to Mr. Yencken.

M. le Haut-Commissaire,

Le Caire, le 18 août 1936.

J'ai l'honneur d'accuser réception de la lettre de votre Excellence du 18 août 1936 ainsi conçue :

[As in No. 1.]

En réponse, je m'empresse de confirmer à votre Excellence l'accord de mon Gouvernement sur les bases ci-dessus et je saisis l'occasion, &c.

Le Ministre des Affaires Étrangères p.i.,
A. Z. ORABY.

(Translation.)

M. the High Commissioner, *Cairo, August 18, 1936.*

I have the honour to acknowledge receipt of your Excellency's note of the 18th August, 1936, as follows:—

[As in No. 1.]

In reply, I beg to notify your Excellency that my Government accepts the bases of agreement as set forth above.

I avail, &c.

A. Z. ORABY,

Acting Minister for Foreign Affairs.



