



Treaty Series No. 66 (1951)

Exchange of Notes

between the Government of the United Kingdom
and the Egyptian Government

Extending and Amending the Financial Agreement of 31st March, 1949

Cairo, 10th September, 1950

*Presented by the Secretary of State for Foreign Affairs to Parliament
by Command of His Majesty,
August 1951*

LONDON
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**EXCHANGE OF NOTES BETWEEN THE GOVERNMENT OF THE
UNITED KINGDOM AND THE EGYPTIAN GOVERNMENT
EXTENDING AND AMENDING THE FINANCIAL AGREEMENT
OF 31st MARCH, 1949**

Cairo, 10th September, 1950

No. 1

*The Chairman of the British Financial and Trade Delegation to the Chairman
of the Egyptian Delegation*

British Embassy,

Dear Dr. Younes Bey,

Cairo, 10th September, 1950.

I wish to confirm the proposals of the Government of the United Kingdom for a working arrangement for 1950 which I have conveyed to you verbally.

2. The proposals are as follows:—

- (a) All articles of the Financial Agreement between the Royal Egyptian Government and the Government of the United Kingdom signed in Cairo on 31st March, 1949,⁽¹⁾ shall continue in force until 31st December, 1950, except Articles IV and VII (1).
- (b) The Government of the United Kingdom declare their readiness to facilitate the supply during 1950 of petroleum products to an amount up to £7,500,000 value c.i.f.
- (c) The Government of the United Kingdom are prepared to agree that capital transfers to Egypt of up to £200,000 for 1950 (according to the amount of actual transfers made during the year) should benefit Egyptian No. 1 Accounts.
- (d) The Government of the United Kingdom agree that the net amount (£179,439) of capital transfers from Egypt to the Scheduled Territories during 1949 shall qualify for a release to No. 1 Egyptian Accounts in 1950.
- (e) Out of sterling accruals to Egyptian No. 2 Accounts from Palestine currency note redemptions, the Government of the United Kingdom will concede releases to Egyptian No. 1 Accounts up to £500,000 for the year 1949 to meet the certified foreign exchange requirements of the Gaza Area.

3. I am authorised to confirm to you that the Government of the United Kingdom agree to start negotiations with the Royal Egyptian Government during November 1950 for a long-term or permanent settlement of Egypt's sterling balances.

4. The Royal Egyptian Government and the Government of the United Kingdom maintain their respective undertakings and viewpoints as set out in the letters exchanged concurrently with the signing of the Anglo-Egyptian Financial Agreement of 31st March, 1949.⁽¹⁾

5. If the Royal Egyptian Government agree to the foregoing proposals, I am instructed to suggest that the present note and your Excellency's reply in that sense shall be regarded as constituting an agreement between the two Governments.

I am, &c.

LEONARD WAIGHT.

⁽¹⁾ "Treaty Series No. 25 (1949)," Cmd. 7675.

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No. 2

*The Chairman of the Egyptian Financial and Trade Delegation to the
Chairman of the British Delegation*

Ministry of Finance,

Dear Mr. Waight,

Cairo, 10th September, 1950.

I have to acknowledge your letter of to-day's date reading as follows:—

[As in No. 1.]

I have noted and agreed to its contents on behalf of the Royal Egyptian Government.

In agreeing to these arrangements, the Royal Egyptian Government wish to reiterate that they should be considered merely as a working arrangement for 1950, pending the resumption of negotiations in November next and the ultimate conclusion of a permanent or at least a long-term agreement concerning Egypt's sterling balances, without in any manner prejudicing Egypt's full rights and claims regarding the said balances.

I am, &c.

M. T. YOUNES.

No. 3

*The Chairman of the British Delegation to the Chairman of the
Egyptian Delegation*

British Embassy,

Dear Dr. Younes Bey,

Cairo, 10th September, 1950.

The Egyptian and British Delegations have reviewed the volume of imports into Egypt from the United Kingdom in 1949. They have also considered together the Egyptian Delegation's estimates of the imports desired from the United Kingdom in 1950, and the United Kingdom Delegation's estimates of the supplies likely to be available. The two Delegations, whilst recognising that the volume of trade depends on the extent of effective demand from Egypt, agreed that imports might reach a total c.i.f. value of £52 million in a full year of which £43 million might be essentials, and stated that the respective authorities of their two Governments would place no obstacle in the way of trade on that basis.

I am, &c.

LEONARD WAIGHT.

No. 4

*The Chairman of the Egyptian Delegation to the Chairman of the
British Delegation*

Ministry of Finance,

Dear Mr. Waight,

Cairo, 10th September, 1950.

I have to acknowledge your letter of to-day's date, reading as follows:—

[As in No. 3.]

I have noted and agreed to its contents on behalf of the Royal Egyptian Government.

I am, &c.

M. T. YOUNES.

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