



Treaty Series No. 74 (1955)

Exchanges of Notes
between the Government of the
United Kingdom of Great Britain and Northern Ireland
and the Government of Egypt
concerning Financial Matters

Cairo, August 30, 1955

*Presented by the Secretary of State for Foreign Affairs to Parliament
by Command of Her Majesty
November 1955*

LONDON
HER MAJESTY'S STATIONERY OFFICE
FOURPENCE NET

EXCHANGES OF NOTES BETWEEN THE GOVERNMENT OF THE
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN
IRELAND AND THE GOVERNMENT OF EGYPT CONCERNING
FINANCIAL MATTERS

Cairo, August 30, 1955

No. 1 (a)

Her Majesty's Ambassador at Cairo to the Egyptian Minister of Finance

British Embassy,

Your Excellency,

Cairo, August 30, 1955.

I have the honour to refer to the discussions which have taken place in accordance with paragraph 7 of Article 3 of the Sterling Releases Agreement of 1st July, 1951⁽¹⁾ (hereinafter referred to as "the Agreement"), and to make the following proposals:—

(i) Paragraphs 3 and 4 of Article 3 of the Agreement shall cease to have effect.

(ii) In addition to the releases provided for in the Agreement as amended by sub-paragraph (i) above, there shall also be released from the No. 2 Account of the National Bank of Egypt to the Transferable Account of that Bank:—

(a) In 1955 the sum of £5 million;

(b) In each of the years 1956 to 1962 inclusive the sum of £10 million;

(c) In 1963 such assets on the No. 2 Account of the National Bank of Egypt as may not by then have been released.

(iii) The release provided for in sub-paragraph (ii) (a) above shall be made, on receipt of an application by the National Bank of Egypt to the Bank of England, on 2nd September, 1955. The releases provided for in sub-paragraph (ii) (b) and (c) above, together with the releases provided for in paragraph 2 of Article 3 of the Agreement, shall be made, on receipt of a like application, on 1st January (or on the 2nd January when the 1st January is a Sunday) in each year.

(iv) Paragraph 5 of the Notes numbered 9 (a) and 9 (b) exchanged between His Excellency the Minister for Foreign Affairs and Sir Ralph Stevenson on the 19th October, 1954, shall cease to have effect.

(v) Notwithstanding the provisions of Article 8 of the Agreement, it shall continue in force, as amended by sub-paragraph (i) above, until the assets on the No. 2 Account of the National Bank of Egypt have been released.

2. If the Government of the Republic of Egypt agree to these proposals, I have the honour to suggest that the present Note and your Excellency's reply thereto shall constitute an agreement between our two Governments which shall enter into force immediately.

I avail, &c.

HUMPHREY TREVELYAN.

YOUR FIDELITY AND SERVICE TO THE KING AND COUNTRY

(1) "Treaty Series No. 67 (1951)," Cmd. 8336.

No. 1 (b)

The Egyptian Minister of Finance to Her Majesty's Ambassador at Cairo

Ministry of Finance and Economy,

Cairo, August 30, 1955.

Your Excellency,

I have the honour to acknowledge receipt of your Note of to-day's date referring to the discussions which have taken place in accordance with paragraph 7 of Article 3 of the Sterling Releases Agreement of 1st July, 1951, and setting out the following proposals:—

[As in (i) to (v) of No. 1 (a)]

2. In reply I have the honour to inform your Excellency that these proposals are satisfactory to the Government of Egypt and accordingly that your Note, together with this reply, shall constitute an agreement between our two Governments which shall enter into force immediately.

I avail, &c.,

A. KAISSOUNI.

No 2 (a)

Her Majesty's Ambassador at Cairo to the Egyptian Minister of Finance

British Embassy,

Cairo, August 30, 1955.

Your Excellency,

With reference to the Exchange of Notes signed to-day, amending the Sterling Releases Agreement of 1st July, 1951, I have the honour to make the following further proposals:—

- (i) The terms of the Exchange of Letters Nos. 1 and 2 annexed to the Sterling Payments Agreement of 1st July, 1951, shall continue in force.
- (ii) The contracting Governments shall continue to authorise transfers of United Kingdom capital from Egypt and of Egyptian capital from the United Kingdom for agreed purposes.
- (iii) (a) Authorised capital transfers to the Scheduled Territories made by debit of Transferable Accounts of banks in Egypt (formerly Egyptian No. 1 Accounts) shall continue to be the subject of periodic adjustment from the No. 2 Account to the Transferable Account of the National Bank of Egypt, in so far as agreed between the United Kingdom and Egyptian Exchange Controls. Releases from No. 2 Account under this sub-paragraph shall be additional to all other releases agreed between the contracting Governments.
- (b). Authorised capital transfers from the Scheduled Territories to Egypt shall not be the subject of subsequent adjustments to Egyptian No. 2 Account.
- (iv) The application of the foregoing paragraphs shall be delegated to the Egyptian and United Kingdom Exchange Controls.

2. If the Government of the Republic of Egypt agree to these proposals, I have the honour to suggest that the present Note and your Excellency's reply thereto shall constitute an agreement between our two Governments which shall enter into force immediately.

I avail, &c.,

HUMPHREY TREVELYAN.

No. 2 (b)

The Egyptian Minister of Finance to Her Majesty's Ambassador at Cairo

Ministry of Finance and Economy,
Cairo, August 30, 1955.

Your Excellency,
I have the honour to acknowledge receipt of your Note of to-day's date, which refers to the Exchange of Notes signed to-day, amending the Sterling Releases Agreement of 1st July, 1951, and makes the following further proposals:—

[As in (i) to (iv) of 2 (a)]

2. In reply I have the honour to inform your Excellency that these proposals are satisfactory to the Government of Egypt and accordingly that your Note, together with this reply, shall constitute an agreement between our two Governments which shall enter into force immediately.

I avail, &c.,

A. KAISSOUNI.

No. 3 (a)

The Egyptian Minister of Finance to Her Majesty's Ambassador at Cairo

Ministry of Finance and Economy,
Cairo, August 30, 1955.

Your Excellency,
With reference to recent discussions which have been held between a United Kingdom Delegation and a Delegation of the Egyptian Government in regard to the revision of the Sterling Releases Agreement of 1951, I have the honour to state that the Government of the Republic of Egypt have no intention of adopting any currency measures which will give Sterling Area suppliers of goods and services to Egypt less favourable opportunities than those enjoyed by other suppliers of goods and services.

I avail, &c.,

A. KAISSOUNI.

No. 3 (b)

Her Majesty's Ambassador at Cairo to the Egyptian Minister of Finance

British Embassy,
Cairo, August 30, 1955.

Your Excellency,
I have the honour to acknowledge the receipt of your Note of to-day's date which states:—

[As in No. 3 (a)]

I avail, &c.,

HUMPHREY TREVELYAN.