

No. 1658

**UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
and
LIBYA**

**Temporary Agreement regarding financial assistance to
Libya to be provided by the Government of the United
Kingdom of Great Britain and Northern Ireland.
Signed at Tripoli, on 13 December 1951**

Official texts: English and Arabic.

*Registered by the United Kingdom of Great Britain and Northern Ireland on
6 March 1952.*

**ROYAUME-UNI DE GRANDE-BRETAGNE
ET D'IRLANDE DU NORD
et
LIBYE**

**Accord provisoire relatif à la fourniture d'une assistance
financière à la Libye par le Gouvernement du Royaume-
Uni de Grande-Bretagne et d'Irlande du Nord. Signé
à Tripoli, le 13 décembre 1951**

Textes officiels anglais et arabe.

*Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le
6 mars 1952.*

No. 1658. TEMPORARY AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE LIBYAN GOVERNMENT REGARDING FINANCIAL ASSISTANCE TO LIBYA TO BE PROVIDED BY THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND. SIGNED AT TRIPOLI ON 13 DECEMBER 1951

Article 1

Interpreta-
tion.

In this Agreement—

“ the United Kingdom Government ” means the Government of the United Kingdom of Great Britain and Northern Ireland ;

“ the Libyan Government ” means the Provisional Government of Libya until Libya becomes independent, and thereafter means the Federal Government of Libya.

“ the Provincial Administrations ” means the local Governments or Administrations of Cyrenaica, Tripolitania and the Fezzan;

“ the Currency Commission ” means the Currency Commission the constitution, powers and duties of which are provided for in the Currency Law enacted by the Libyan Government on the 24th day of October, 1951;

“ the initial issue of Libyan currency ” means all Libyan currency notes and coins issued by the Currency Commission against Military Administration lire notes, Egyptian currency notes and Algerian franc notes which are tendered in Libya within such period or periods from the date on which the Libyan pound becomes the standard of currency in Libya as the Currency Commission may in its discretion determine.

Article 2

Coming into
force and
duration of
Agreement.

This Agreement shall come into force upon signature and shall continue in force until 31st March, 1953, unless previously replaced by an Agreement between the United Kingdom and Libyan Governments.

¹ Came into force on 13 December 1951, upon signature, in accordance with article 2.

Article 3

Purpose of
Agreement.

This Agreement is made to ensure that Libya shall enjoy conditions of financial stability and orderly economic development.

Article 4

Obligations
of the United
Kingdom
Government.

In order to carry out the purpose set out in Article 3 of this Agreement, the United Kingdom Government will, provided Libyan financial affairs are being conducted in a manner appropriate for the achievement of that purpose and provided that the United Kingdom Government is informed fully of Libya's needs, give financial assistance to Libya as follows :—

- (a) The United Kingdom Government will contribute during the financial year beginning on 1st April, 1952, to the Development and Stabilisation Agency which is to be established under Libyan law, and may contribute during the financial year beginning on 1st April, 1952, to the Finance Corporation which is to be so established, sums not exceeding £500,000 sterling in the aggregate for the purposes for which those organisations are to be established and in conformity with their statutes;
- (b) The United Kingdom Government will provide one hundred per centum sterling backing for the initial issue of Libyan currency in accordance with arrangements acceptable to the United Kingdom and Libyan Governments :
- (c) Until 31st March, 1952, the United Kingdom Government will continue to give financial assistance to the Governments or Administrations of Cyrenaica and Tripolitania, it being the intention that the Provincial Administrations will, out of their general revenues, finance the Libyan Government in order to enable the Libyan Government to exercise the powers progressively transferred to it;
- (d) As regards the financial year beginning on 1st April, 1952, if, without prejudice to the undoubted right of Libya to determine its own Budgets, there is agreement between the United Kingdom and Libyan Governments that the Budgets of the Libyan Government and the Provincial Administrations for that year have been framed prudently, economically and with regard to the purpose set out in Article 3 in this Agreement, the United Kingdom Government will make a contribution to the Libyan Government of a sum equal to any deficiency in the combined Budgets provided

the Libyan Government requests such a contribution. In the event that agreement is not reached, the United Kingdom Government will nevertheless make a contribution to the Libyan Government of any sum essential to support the Libyan economy provided the Libyan Government requests such a contribution.

Article 5

Obligations
of the Libyan
Government.

In order further to carry out the purpose set out in Article 3 of this Agreement, the Libyan Government agrees that there shall be a Chief Financial and Economic Officer and an Auditor General, who shall be officers of the Libyan Government and subject to the Civil Service laws of Libya. All matters relating to their appointments shall be the subject of consultation between the United Kingdom and Libyan Governments.

Article 6

Duties of the
Chief Financial
and
Economic
Officer and
Auditor
General.

- (a) The Chief Financial and Economic Officer shall have access to the Prime Minister and the Minister of Finance of the Libyan Government. He shall be the principal financial and economic officer of that Government.
- (b) The Auditor General shall be the principal auditor of the Libyan Government.

SIGNED at Tripoli this thirteenth day of December, One thousand nine hundred and fifty-one.

For the United Kingdom Government :
T. R. BLACKLEY
British Resident, Tripolitania

For the Libyan Government :
MAHMOUD MUNTASSER
Prime Minister