

No. 3344

**UNITED STATES OF AMERICA
and
EGYPT**

**Exchange of notes (with annex) constituting an agreement
relating to a technical co-operation program of economic
development. Cairo, 6 November 1954**

Official text: English.

Registered by the United States of America on 3 May 1956.

**ÉTATS-UNIS D'AMÉRIQUE
et
ÉGYPTE**

**Échange de notes (avec annexe) constituant un accord relatif
à un programme de coopération technique en vue du
développement économique. Le Caire, 6 novembre
1954**

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 3 mai 1956.

No. 3344. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND EGYPT RELATING TO A TECHNICAL CO-OPERATION PROGRAM OF ECONOMIC DEVELOPMENT. CAIRO, 6 NOVEMBER 1954

I

The American Ambassador to the Egyptian Minister of Foreign Affairs

November 6, 1954

Excellency :

I have the honor to refer to recent conversations between representatives of our two Governments concerning assistance by my Government, designed to promote the economic development of Egypt. My Government is prepared, subject to applicable United States legislation and in accordance with the following understandings, both to continue furnishing assistance to Egypt provided for by the Point IV General Agreement for Technical Cooperation between our two Governments² and to provide, on such terms as may be agreed, additional development assistance for this purpose.

1. The furnishing of any development or technical assistance by the Government of the United States to the Government of Egypt under this agreement will be based on requests to be made by the Government of Egypt and approved by the Government of the United States.

2. In order to provide maximum benefits to the people of Egypt from such assistance, our two Governments will cooperate to assure that such commodities or services as may be furnished under this agreement will be procured at reasonable prices and on reasonable terms, and will be distributed and utilized in Egypt in furtherance of the purposes of this agreement and on terms and conditions acceptable to both Governments.

3. It is understood that the Government of Egypt, in consonance with its primary sovereign responsibility for the economic development of Egypt, will assume an effective share of the costs of this joint program as may be mutually arranged between the two Governments, and that the contemplated assistance on the part of the Government of the United States will be designed to supplement rather than to replace the expenditures assumed by the Government of Egypt.

¹ Came into force on 6 November 1954 by the exchange of the said notes.

² United Nations, *Treaty Series*, Vol. 198, p. 265.

4. The Government of Egypt will furnish to the Government of the United States such information and data as may be requested in order to facilitate consideration of assistance proposals made by the Government of Egypt and evaluation of the effectiveness of assistance furnished, and shall give publicity to these programs of assistance as provided in Article 6 of the Point IV General Agreement for Technical Cooperation.

5. It is understood that this agreement is complementary to and does not supersede any existing agreements between our two Governments.

I have the honor to propose, if these understandings are acceptable to your Government, that this note, including the attached annex, and your Excellency's note concurring therewith constitute an agreement between our two Governments, to enter into force on the date of your Excellency's reply and to remain in force until three months after receipt by either Government of written notification by the other of intention to terminate the agreement.

Accept, Excellency, renewed assurances of my highest consideration.

Jefferson CAFFERY

His Excellency Dr. Mahmoud Fawzi
Minister of Foreign Affairs
Cairo

A N N E X

1. The responsibilities of the Government of the United States in Egypt in connection with this program will be carried out by designated representatives (including contract personnel engaged in activities under this agreement) who will, except as may otherwise be mutually agreed, be accorded privileges and immunities specified in Article 5 of the Point IV General Agreement for Technical Cooperation between the two Governments of May 5, 1951. The Government of Egypt will further give full cooperation to such representatives, including the provision of all necessary information concerning operations pursuant to the agreement and the use of assistance furnished under it.

2. (a) The two Governments will enter into discussions concerning the effective share of the program to be assumed by the Government of Egypt pursuant to Paragraph 3 of this agreement and the methods by which this undertaking will be carried out, including as may be appropriate, the direct expenditures or contributions to be made by the Government of Egypt for program operations and for administrative and related expenses of the joint program.

(b) Should it be subsequently determined by the Government of the United States to provide commodities or services on a grant basis for sale in Egypt, the Government of Egypt will, without prejudice to additional arrangements under subparagraph (a) above, establish a special account, and will deposit to this account, upon receipt, the local currency accruing to it from the sale of such commodities or services or otherwise accruing to it as a result of the import of such commodities or services. Such account shall be

drawn upon to cover local currency requirements of the United States Government for administrative and operating expenditures incident to the furnishing of assistance under this agreement. The Government of the United States will from time to time notify the Government of Egypt of such local currency requirements and the Government of Egypt will thereupon make such sums available from the special account in the manner requested by the Government of the United States in the notification. Subject to the foregoing requirements, the special account may be drawn upon for such local currency costs of program operations under this agreement as may be agreed to from time to time by the two Governments. Any balances in the fund not used for the foregoing purposes shall be disposed of only as may be agreed between the two Governments.

3. The Government of Egypt will establish procedures which will protect from attachment, seizure or other legal or administrative process any funds allocated to or derived from any program of assistance undertaken by the Government of the United States.

II

The Egyptian Minister of Foreign Affairs to the American Ambassador

MINISTÈRE DES AFFAIRES ÉTRANGÈRES
CABINET DU MINISTRE¹

Cairo, 6 November, 1954

Excellency,

I have the honour to acknowledge receipt of your Excellency's note of to-day concerning assistance by the Government of the United States designed to promote the economic development of Egypt.

I have the honour, also, to inform your Excellency that the understandings set forth therein are acceptable to my Government and that my Government agrees that your Excellency's note under reference, including the annex attached thereto, and this reply concurring therewith, constitute an agreement between our two Governments, to enter into force to-day and to remain in force until three months after receipt by either Government of written notification by the other of intention to terminate the agreement.

Accept, Excellency, renewed assurance of my highest considerations.

M. FAWZI

His Excellency Mr. Jefferson Caffery
Ambassador of the United States of America
Cairo

¹ Ministry for Foreign Affairs.
Office of the Minister.