

**No. 3365**

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**UNITED STATES OF AMERICA  
and  
LIBYA**

**Exchange of letters constituting an agreement relating to  
economic assistance to Libya. Benghazi, 9 September  
1954**

*Official texts: English and Arabic.*

*Registered by the United States of America on 8 May 1956.*

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**ÉTATS-UNIS D'AMÉRIQUE  
et  
LIBYE**

**Échange de lettres constituant un accord relatif à une aide  
économique à la Libye. Bengazi, 9 septembre 1954**

*Textes officiels anglais et arabe.*

*Enregistré par les États-Unis d'Amérique le 8 mai 1956.*

No. 3365. EXCHANGE OF LETTERS CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA AND LIBYA RELATING TO ECONOMIC ASSISTANCE TO LIBYA. BENGHAZI, 9 SEPTEMBER 1954

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## I

*The American Chargé d'Affaires ad interim to the Libyan Prime Minister and Minister of Communications*

AMERICAN LEGATION  
BENGHAZI, LIBYA

September 9, 1954

Excellency :

I have the honor to confirm my Government's offer of economic assistance to Libya made during Your Excellency's recent visit to Washington. This offer, responsive to the Libyan Government's urgent desire to develop the country's economic resources, consists of the following, subject of course to Congressional action as indicated below :

A. Initial assistance by the United States Government for economic development in Libya in the amount of seven million dollars (\$ 7,000,000), four million dollars (4,000,000) of which is available now for suitable projects and the remaining three million dollars (\$ 3,000,000) of which will be available for commitment during the United States fiscal year which ends on June 30, 1955 ;

B. Provision of grain, up to a total of twenty-four thousand (24,000) tons, to meet Libya's necessary food consumption requirements in the period corresponding to the United States fiscal year ending June 30, 1955. It is understood that funds of the Libyan Government thereby released would become available for economic development in Libya and that any funds which may result from the sale of this grain would, upon mutual agreement on projects, be made available for economic development in Libya ;

C. Continuation of assistance from special purpose funds until 1971, in the amount of four million dollars (\$ 4,000,000) annually for six years from 1955 through 1960 and of one million dollars (\$ 1,000,000) annually for the following eleven years.

If the foregoing offer of assistance is acceptable to the Libyan Government, my Government proposes that detailed arrangements under which such assistance could be provided should be negotiated as soon as practicable. As one step, my Government suggests that an economic planning commission composed of repre-

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<sup>1</sup> Came into force on 9 September 1954 by the exchange of the said letters .

representatives of our two Governments be established to study, plan and execute the economic development program to be assisted by United States funds. It will of course be understood by the Libyan Government that, as is true in the case of any United States assistance abroad, provision of assistance under the present proposals is subject to the authorization and appropriation of funds for this purpose by the United States Congress and the conclusion of such additional agreements as may be necessary to meet the requirements of applicable United States legislation and procedures.

The United States believes that the foregoing offer will provide ample means for undertaking now a program of development that would greatly improve the Libyan economic situation. This is particularly true when considered in the light of the other assistance which the United States has provided Libya in the past, including the one million dollars (\$1,000,000) grant in June of this year, the eight thousand two hundred (8,200) tons of grain for famine relief, technical assistance at an annual rate of approximately one and one half million dollars (\$1,500,000) and the United States contribution to the United Nations Technical Assistance Program.

The assistance provided Libya by the United States should clearly demonstrate the sympathetic interest of the United States Government in Libya's progress towards economic viability in future years. My Government wishes to assure the Government of Libya that it will continue this interest and will cooperate with your Government in considering measures required for the development of Libya's economic resources in the light of the traditional friendship between the two Governments and in the light of the progress already made.

This note and Your Excellency's reply accepting it may be considered to constitute a general basis for proceeding with the offer outlined in sub-paragraphs A, B, and C, above.

Accept, Excellency, the assurances of my highest consideration.

Lionel M. SUMMERS

His Excellency Mustafa ben Halim  
Prime Minister and Minister of Communications  
of the United Kingdom of Libya  
Benghazi

[TRANSLATION<sup>1</sup> — TRADUCTION<sup>2</sup>]

UNITED KINGDOM OF LIBYA  
MINISTRY OF FOREIGN AFFAIRS

Benghazi, September 9, 1954

Excellency,

I have the honor to acknowledge to Your Excellency receipt of your letter of today's date which in translation reads as follows :

[See letter I]

In reply thereto, I have the honor to inform you that the Government of the United Kingdom of Libya accepts what has been set forth in the letter above and agrees to consider what has been mentioned in paragraphs A, B, and C of that letter as a general basis for proceeding with the foregoing offer.

Accept, Excellency, the assurances of my highest consideration.

MUSTAFA BEN HALIM  
Prime Minister and Minister of Communications

His Excellency Lionel M. Summers  
Chargé d'Affaires of the Legation  
of the United States of America in Libya  
Benghazi

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<sup>1</sup> Translation by the Government of the United States of America.

<sup>2</sup> Traduction du Gouvernement des États-Unis d'Amérique.