

No. 5484

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

**Exchange of notes constituting an agreement concerning financial assistance to the Republic of Cyprus, relative to the Treaty of 16 August 1960 concerning the Establishment of the Republic of Cyprus. Nicosia, 16 August 1960**

*Official text: English.*

*Registered by the United Kingdom of Great Britain and Northern Ireland on 12 December 1960.*

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

**Échange de notes constituant un accord d'aide financière à la République de Chypre, conclu dans le cadre du Traité du 16 août 1960 relatif à la création de la République de Chypre. Nicosie, 16 août 1960**

*Texte officiel anglais.*

*Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le 12 décembre 1960.*

No. 5484. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND CYPRUS CONCERNING FINANCIAL ASSISTANCE TO THE REPUBLIC OF CYPRUS, RELATIVE TO THE TREATY OF 16 AUGUST 1960<sup>2</sup> CONCERNING THE ESTABLISHMENT OF THE REPUBLIC OF CYPRUS. NICOSIA, 16 AUGUST 1960

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I

Nicosia, August 16, 1960

Your Excellencies,

I have the honour to refer to discussions on financial matters which took place during the negotiations leading up to the Treaty concerning the Establishment of the Republic of Cyprus of to-day's date.<sup>3</sup> In the course of these discussions, agreement was reached between us on the following arrangements :

- (a) The Government of the United Kingdom of Great Britain and Northern Ireland shall pay to the Government of the Republic of Cyprus, by way of grant, the sum of £12 million during the period of five years ending on the 31st March, 1965. This sum shall be made available as follows :

In the financial year ending on the 31st March, 1961, £4,000,000.

In the financial year ending on the 31st March, 1962, £3,000,000.

In the financial year ending on the 31st March, 1963, £2,000,000.

In the financial year ending on the 31st March, 1964, £1,500,000.

In the financial year ending on the 31st March, 1965, £1,500,000.

- (b) In addition to the sum of £12 million mentioned in sub-paragraph (a) above the Government of the United Kingdom shall

- (i) pay to the Government of the Republic, by way of grant, the sum of £500,000 towards the construction of a new Civil Air Terminal at Nicosia Airport ;

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<sup>1</sup> Came into force on 16 August 1960, in accordance with the provisions of the said notes.

<sup>2</sup> See p. 8 of this volume.

- (ii) pay to the Government of the Republic, by way of grant, a sum not exceeding £500,000, to be paid in accordance with detailed arrangements to be agreed within the principles set out in the Schedule<sup>1</sup> hereto, for inhabitants of Akrotiri who desire to leave Akrotiri and settle within the territory of the Republic of Cyprus ;
  - (iii) pay to the Government of the Republic, by way of grant, a sum not exceeding £340,000 towards the cost of constructing roads within the territory of the Republic for the purpose of by-passing the Ayios Nikolaos region of the Dhekelia Sovereign Base Area ; and
  - (iv) on a request by the Government of the Republic for financial assistance towards an extension of the electricity supply in the Island of Cyprus, make a loan in an amount and on terms to be agreed between the two Governments, such terms to be comparable to those generally applicable at the time to loans being made by the Government of the United Kingdom to independent member countries of the Commonwealth.
- (c) Within the period of six months immediately before the 31st March, 1965, and before the end of each succeeding period of five years, the Government of the United Kingdom shall review, in consultation with the Government of the Republic, the provisions of sub-paragraph (a) of this paragraph and, taking all factors into account, including the financial requirements of the Government of the Republic, shall, after full consultation with the Government of the Republic, determine the amount of financial aid to be provided to that Government in the following period of five years.
- (d) Except as may be provided in the above-mentioned Treaty or as may to-day otherwise have been agreed and recorded between us, the Government of the Republic shall not make any claims against the Government of the United Kingdom and the Government of the United Kingdom shall not make any claims against the Government of the Republic arising or purporting to arise out of or in connexion with either the administration of Cyprus or the establishment of the Republic of Cyprus.

2. I have the honour to suggest that, if the above arrangements are acceptable to the Government of the Republic, this Note, together with your reply to that effect, shall constitute an agreement in this matter between the Government of the United Kingdom and the Government of the Republic which shall enter into force on to-day's date.

I have the honour to be,

Your Excellencies' most obedient, humble Servant,

Hugh FOOT

Archbishop Makarios  
President of the Republic of Cyprus

Dr. Fazil Kutchuk  
Vice-President of the Republik of Cyprus

<sup>1</sup> See p. 236 of this volume.

## SCHEDULE

The following are the principles referred to in paragraph 1 (b) (ii) of this Note :

- (a) resettlement will not be compulsory ;
- (b) there will be no organised resettlement of the whole community ; resettlement will be carried out on a voluntary and individual basis ;
- (c) those who leave will keep their agricultural land and other property ;
- (d) those who leave will not be allowed to return to their houses for permanent residence ;
- (e) the Republic will be responsible for administering the resettlement scheme ;
- (f) payments by the Government of the United Kingdom will not exceed expenditure incurred under the resettlement scheme ;
- (g) applications for a resettlement grant will be considered only if made within one year from to-day's date ;
- (h) villagers will be eligible for a resettlement grant only if on moving into the Republic they have no nationality other than that of the Republic.

## II

Nicosia, August 16, 1960

Your Excellency,

We have the honour to acknowledge the receipt of your Note of to-day's date which reads as follows :

[See note I]

2. The arrangements set out in that Note are acceptable to the Government of the Republic of Cyprus and we have the honour therefore to confirm that your Note, together with this reply, shall constitute an agreement accordingly.

We have the honour to present our best respects,

† Ο ΚΥΠΡΟΥ ΜΑΚΑΡΙΟΣ

F. Κούρκ

Sir Hugh Foot, G.C.M.G., K.C.V.O., O.B.E.