

No. 12303

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

**Agreement regarding compensation for British property,
rights and interests affected by Arab Republic of Egypt
measures of nationalisation and other matters concerning
British property in the Arab Republic of Egypt. Signed
at Cairo on 13 September 1971**

Authentic text : English.

*Registered by the United Kingdom of Great Britain and Northern Ireland
on 22 February 1973.*

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

**Accord relatif aux conditions de compensation pour les biens,
droits et intérêts britanniques touchés par les mesures
de nationalisation prises par la République arabe
d'Égypte, et à certaines autres questions concernant les
biens britanniques en République arabe d'Égypte. Signé
au Caire le 13 septembre 1971**

Texte authentique : anglais.

*Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord
le 22 février 1973.*

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE ARAB REPUBLIC OF EGYPT REGARDING COMPENSATION FOR BRITISH PROPERTY, RIGHTS AND INTERESTS AFFECTED BY ARAB REPUBLIC OF EGYPT MEASURES OF NATIONALISATION AND OTHER MATTERS CONCERNING BRITISH PROPERTY IN THE ARAB REPUBLIC OF EGYPT

The Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Arab Republic of Egypt;

Desiring to regulate the question of compensation in respect of British properties, rights and interests nationalised under Arab Republic of Egypt measures and to resolve all outstanding problems relating to British property in the Arab Republic of Egypt;

Have agreed as follows :

Article I. For the purposes of the present Agreement :

(1) The term "United Kingdom nationals" shall mean physical persons deriving their status as United Kingdom nationals from the law in force in any part of the United Kingdom or in any territory for the international relations of which the Government of the United Kingdom are at the date of the signature of the present Agreement responsible.

(2) The term "entitled British claimants" shall mean :

- (a) physical persons who at the date on which their property was nationalised and on the date of the signature of the present Agreement were United Kingdom nationals;
- (b) corporations, firms or associations (including nominee companies) which on the date on which their property was nationalised were incorporated or constituted under the laws in force in the United Kingdom or in any territory for the international relations of which the Government of the United Kingdom are at the date of signature of the present Agreement responsible; and
- (c) successors in title in respect of the properties, rights or interests concerned (whether by assignment, inheritance on death or otherwise) to persons who were United Kingdom nationals at the date on which their property was nationalised and at the date of succession provided that such successors are also United Kingdom nationals at the date of succession and at the date of signature of this Agreement; provided that for the purposes of this sub-paragraph (c) the expression United Kingdom nationals shall include corporations, firms and associations incorporated or constituted under the laws in force in the United Kingdom or in any territory for the inter-

¹ Came into force on 28 March 1972, the date of the exchange of diplomatic notes by which each Contracting Government notified the other that their necessary constitutional requirements had been fulfilled, in accordance with article V.

national relations of which the Government of the United Kingdom are at the date of the signature of the present Agreement responsible.

(3) The term “relevant Arab Republic of Egypt measure” shall mean any of the laws promulgated by the Government of the Arab Republic of Egypt in respect of nationalisation (including Agrarian Reform laws No. 127 of 1961 and No. 15 of 1963) between the years 1960 and 1964 inclusive but shall not include law 150 of 1964.

(4) The term “British properties, rights and interests”;

- (a) shall mean all properties, rights and interests which on the date of nationalisation were owned directly or indirectly in whole or in part by entitled British claimants to the extent to which they were so owned and which were nationalised by or under the relevant Arab Republic of Egypt measures wherever the documentary evidence is presently held; but
- (b) shall not include properties, rights and interests appearing in the lists in annex E to the Agreement concerning Financial and Commercial Relations and British property in Egypt of 28 February 1959¹ as amended by the Exchange of Notes of 7 August 1962² supplementary to that Agreement and acquired by an entitled British claimant on or before 28 February 1959;
- (c) shall not include any property which was sequestered by the Government of the Arab Republic of Egypt in accordance with the provisions of Proclamation No. 5 of 1956 and which was neither the subject of an application for release nor established as British property in accordance with the Agreement concerning Financial and Commercial Relations and British property in Egypt of 28 February 1959 and the Exchange of Notes of 7 August 1962 supplementary to that Agreement (provided that any undeclared sequestered property which was at a later date nationalised shall be included in the term “British properties, rights and interests”).

Article II. (1) Having regard to the provisions of other agreements already concluded by the Arab Republic of Egypt with other countries regarding compensation for property affected by the relevant Arab Republic of Egypt measures the Government of the Arab Republic of Egypt shall pay to the Government of the United Kingdom the sum of £ 2,100,000 (two million one hundred thousand pounds sterling) in settlement of claims for compensation in respect of British properties, rights and interests nationalised before the date of the present Agreement by or under any relevant Arab Republic of Egypt measure.

(2) The Government of the Arab Republic of Egypt shall deduct from the sum mentioned in paragraph (1) of this article the sum of £ 200,000 (two hundred thousand pounds sterling) in full and final settlement of all liabilities of entitled British claimants to the Government of the Arab Republic of Egypt and to other authorities and banks in the Arab Republic of Egypt. For the purposes of this article the expression “liabilities” shall mean liabilities or alleged liabilities of every kind concerning British properties, rights and interests as defined in paragraph 4 of article I of this Agreement including those in respect of income tax; death and estate duties; municipal taxes; administration charges and sums

¹ United Nations, *Treaty Series*, vol. 343, p. 159.

² *Ibid.*, vol. 449, p. 320.

due or alleged to be due to banks in the Arab Republic of Egypt whether by way of loans, charges or otherwise.

(3) Subject to the provisions of paragraph (4) of this article the Government of the Arab Republic of Egypt shall pay the resultant net sum of £ 1,900,000 (one million nine hundred thousand pounds sterling) free of all Egyptian transfer taxes to the Government of the United Kingdom in six instalments at intervals of six months, beginning on 1 March 1972 or on the date of coming into force of this Agreement, whichever is the later, in the sum of £ 150,000 sterling and thereafter on 1 September 1972, 1 March 1973, 1 September 1973, 1 March 1974 and 1 September 1974, each of these last five instalments being of equal amount in the sum of £ 350,000 sterling. There shall be further instalments at intervals of six months if they are required on account of the application of the provisions of paragraph (4) of this article.

(4) The amount of the instalments specified in paragraph 3 of this article shall not exceed in any one year commencing on 1 January 25 per cent of the value of imports, with the exception of petroleum, raw cotton and rice, into the United Kingdom from the Arab Republic of Egypt in the 12 months ending on 31 December of the preceding year. The Government of the United Kingdom shall at their request inform the Government of the Arab Republic of Egypt of the recorded value of such imports on or before 30 April of each year, and unless the Government of the Arab Republic of Egypt raises any objection these figures shall apply.

(5) When the whole of the one million nine hundred thousand pounds sterling has been paid the Government of the United Kingdom shall on its own behalf and on behalf of the entitled British claimants concerned regard such payment as having fully and finally discharged the Government of the Arab Republic of Egypt from all liability to the Government of the United Kingdom and to the entitled British claimants in respect of all claims for the British properties, rights and interests described in paragraph (1) of this article.

Article III. The Contracting Governments shall co-operate in all matters affecting the operation of the present Agreement and to that end, at the request of the Government of the United Kingdom, the Government of the Arab Republic of Egypt shall furnish as soon as possible such details of title and of value as are held by the appropriate Arab Republic of Egypt authorities to enable the Government of the United Kingdom to determine any claims under the present Agreement. The Government of the Arab Republic of Egypt shall also, at the request of the Government of the United Kingdom, supply copies of each Arab Republic of Egypt law, decree or other measure falling within the description of "relevant Arab Republic of Egypt measure" in article I of the present Agreement.

Article IV. (1) The Government of the United Kingdom shall make provision in accordance with its own legislation for the independent determination and valuation of all claims for compensation in respect of British properties, rights and interests nationalised by the relevant Arab Republic of Egypt measure.

(2) The Government of the United Kingdom shall seek to obtain all documents of title relating to such claims which are held outside the Arab Republic of Egypt.

(3) The Government of the United Kingdom shall deliver to the Government of the Arab Republic of Egypt these documents of title or, where the documents also relate to properties, rights or interests unaffected by the relevant Arab Republic of Egypt measure, certified copies of such documents of title. Such delivery shall take place from time to time and shall be completed without delay on payment of the final instalment.

Article V. The present Agreement shall enter into force on the date of the exchange of diplomatic notes by which each Contracting Government notifies the other that their necessary constitutional requirements have been fulfilled.

IN WITNESS WHEREOF the undersigned, being duly authorised thereto by their respective Governments, have signed the present Agreement.

DONE in duplicate at Cairo this thirteenth day of September 1971 in the English language.

For the Government
of the United Kingdom of Great Britain
and Northern Ireland :

ALEC DOUGLAS-HOME

For the Government
of the Arab Republic of Egypt :

MOHAMED MIRZABAN
