

Meanwhile the clearance of the Suez Canal had been proceeding somewhat faster than General Wheeler had anticipated. Before mid-March the waterway was cleared for small vessels, and it was expected that the last physical obstacles to resumption of full normal traffic would be removed by the middle of April. No general financing programme for the clearance operation had been arranged. Loans had been made by a number of countries, including \$1 million from Canada; and the International Bank for Reconstruction and Development had agreed to act as fiscal agent for the United Nations, receiving, holding, and disbursing sums lent by Governments. The loans, however, were agreed to be only interim financing, to be repaid when a general financial programme had been evolved.

Thus the salvage operation was going well, and funds were available for immediate cash requirements; but the outstanding questions of the previous autumn were still unanswered. One of them was whether Israeli shipping would be permitted to use the Canal when it was open for traffic. The other was really a series of questions arising out of nationalization, and the proposals that had followed it. The most significant point immediately at issue was to what authority tolls should be paid. Written suggestions covering this and other aspects of provisional operating arrangements under which Canal traffic might be resumed were sent in February by four of the leading user states—France, Norway, the United Kingdom, and the United States—through the Secretary-General to the Government of Egypt. The central feature of these proposals was that either the International Bank or the United Nations should receive Canal tolls, half of which should be paid over immediately to Egypt for operating expenses of the Canal and the remainder be held pending determination of its disbursement under a definitive Suez settlement. No answer had been reported by the time that the General Assembly adjourned.