

#### Article IV

The organization shall retain all the present officials, employees and laborers of the nationalized company at their posts; they shall have to continue with the discharge of their duties; no one will be allowed to leave his work or vacate his post in any manner and for any reason whatsoever except with the permission of the organization provided for in Article II above.

#### Article V

All violations of the provisions of Article III above shall be punished by imprisonment and a fine equal to three times the value of the amount involved in the offense. All violations of the provisions of Article IV shall be punished by imprisonment in addition to the forfeiture by the offender of all rights to compensation, pension or indemnity.

#### Article VI

The present order shall be published in the Official Gazette and shall have the force of law. It shall come into force on the date of its publication. The Minister of Commerce shall issue the necessary administrative orders for its implementation.

Within a few days a meeting was held in London of representatives of France, the United Kingdom, and the United States, as a result of which a tripartite statement was issued on August 2 which read in part:

They [the Governments of the three States] do not question the right of Egypt to enjoy and exercise all powers of a fully sovereign and independent nation, including the generally recognized right, under appropriate conditions, to nationalize assets, not impressed with an international interest, which are subject to its political authority. But the present action involves far more than a simple act of nationalization. It involves the arbitrary and unilateral seizure by one nation of an international agency which has the responsibility to maintain and to operate the Suez Canal so that all the signatories to, and beneficiaries of, the Treaty of 1888 can effectively enjoy the use of an international waterway upon which the economy, commerce and security of much of the world depends...

They consider that steps should be taken to establish operating arrangements under an international system designed to assure the continuity of operation of the Canal, as guaranteed by the Convention of October 29, 1888, consistently with legitimate Egyptian interests.

The statement ended with the announcement of a further meeting in London, to which were to be invited the eight parties to the Convention of 1888<sup>(1)</sup> and sixteen other states<sup>(2)</sup> "largely concerned in the use of the Canal either through ownership of tonnage or pattern of trade." Of these countries only Egypt and Greece refused invitations, and the conference of twenty-two states sat from August 16 to August 23.

An agreed statement of views reached by eighteen of the twenty-two governments<sup>(3)</sup> was presented to President Nasser by a committee representing five of the eighteen. This statement read as follows:

The Governments approving this Statement, being participants in the London Conference on the Suez Canal:

*Concerned* by the grave situation regarding the Suez Canal;

*Seeking* a peaceful solution in conformity with the purposes and principles of the United Nations; and

*Recognizing* that an adequate solution must, on the one hand, respect the sovereign rights of Egypt, including its rights to just and fair compensation for the use of the Canal, and, on the other hand, safeguard the Suez Canal as an international waterway in accordance with the Suez Canal Convention of October 29, 1888;

<sup>(1)</sup> Egypt, France, Italy, The Netherlands, Spain, Turkey, United Kingdom, U.S.S.R.

<sup>(2)</sup> Australia, Ceylon, Denmark, Ethiopia, Federal Republic of Germany, Greece, India, Indonesia, Iran, Japan, New Zealand, Norway, Pakistan, Portugal, Sweden, United States.

<sup>(3)</sup> Those not concurring were Ceylon, India, Indonesia, U.S.S.R.