

His Excellency Dr. MAHMOUD FAWZI,
Minister for Foreign Affairs of Egypt,
Permanent Mission of Egypt to the United Nations,
900 Park Avenue,
New York 21, N.Y.

8 January 1957.

Sir,

I have the honour to refer to your letter of 8 January 1957 in which you have been so good as to inform me that the United Nations would be prepared to assist the Government of Egypt by undertaking the operation necessary for the speedy clearance of the Suez Canal, and I have the pleasure to advise you in the name of the Government of Egypt of its full agreement on, and acceptance of, the terms of your letter. You may rest assured that the Government of Egypt will give its fullest cooperation and assistance to the operation.

The Government of Egypt agrees, furthermore, that your letter and this reply will be considered as constituting an agreement between Egypt and the United Nations.

I take this opportunity, Sir, to renew the assurances of my highest consideration.

(Signed) MAHMOUD FAWZI,
Minister for Foreign Affairs.

His Excellency Mr. DAG HAMMARSKJOLD,
Secretary-General,
New-York.

Finally, the report explains the position of financing the operation. The Secretary-General was not in a position to submit complete estimates of cost or proposals as to the means of covering those costs; but to meet immediate needs he had approached all Member Governments suggesting advances for the first phase of the operation. The Note suggesting such advances, dated December 23, 1956 read as follows:

**NOTE OF THE SECRETARY-GENERAL TO MEMBER GOVERNMENTS
REGARDING INTERIM ADVANCES TO THE FUND FOR THE
CLEARANCE OF THE SUEZ CANAL**

The Secretary-General of the United Nations presents his compliments to the Permanent Representative of..... and has the honour to call attention to resolution A/RES/411 adopted by the General Assembly on 26 November 1956 on the subject of the clearance of the Suez Canal, under which the Secretary-General is authorized to proceed with the exploration of practical arrangements and the negotiation of agreements so that the clearing operations may be speedily and effectively undertaken.

In accordance with the above resolution of the General Assembly, the Secretary-General has entered into obligations with contractors and others. For the financing of these obligations appropriate arrangements need urgently be made, if the clearance operations are to proceed without interruption or delay. The Secretary-General intends to report to the General Assembly at an early date on a final plan with respect to the total obligation for the clearance of the Canal. Pending a decision on such a plan it is essential that immediate cash needs are adequately provided for on an interim and provisional basis. The Secretary-General would therefore much appreciate any indication which the Permanent Representative is able to give him, if possible, before 1 January 1957, as to the measure of financial assistance it can make available by way of an advance would be without prejudice to the nature and extent of the Government's participation in such over-all financial settlement as may eventually be agreed upon. [sic.]

In order that he may be enabled to discharge the responsibilities entrusted to him in connexion with this vital United Nations undertaking, the Secretary-General trusts that Member Governments who are able and willing to assist in the manner and on the basis indicated, can urgently provide interim financing to the extent of not less than \$10 million.