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LETTER DATED 17 SEPTEMBER 1956 FROM THE REPRESENTATIVE
OF EGYPT ADDRESSED TO THE PRESIDENT OF THE SECURITY
COUNCIL

Upon instructions from my Government, I have the honour to bring the following to your attention:

1. On July 26, 1956, the Government of Egypt enacted a law nationalizing the Suez Canal Company. It was claimed by the Governments of France and the United Kingdom in their joint letter to the Security Council on September 12, 1956, that the Government of Egypt, "attempted unilaterally to bring to an end the system of international operation of the Suez Canal which was confirmed and completed by the Suez Canal Convention of 1888." That claim is completely devoid of any legal, historical or moral foundation. Beside the clear stipulations of Article 14 of the 1888 Convention that, "The obligations resulting from the present convention are not limited by the duration of the concession granted to the Suez Canal Company", proving the fallacy of the thesis put forth by France and the United Kingdom, neither the history and background of the formation of the Suez Canal Company, and its correlation with the Convention, nor the inconceivability of and eternal status to that Company, would in the least corroborate that thesis. On the other hand, the law by which the Suez Canal Company was nationalized provided for full and equitable compensation to the shareholders, and set up for the administration of the Canal an independent authority with an independent budget. This authority was empowered with all the necessary powers without being limited by government rules and systems. Simultaneously with nationalization, the Government of Egypt reaffirmed its determination to continue to guarantee the freedom of passage through the Canal in conformity with the 1888 Convention.
2. Notwithstanding the fact that the act of nationalization was taken by Egypt in the full exercise of its sovereign rights and without challenge to or

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infringement of the rights of any nation, it was met by declarations by the Government of France and the United Kingdom conveying threats of force and by measures of mobilization and movement of armed forces. Hostile economic measures were also taken against Egypt. The Government of France and the United Kingdom together with some officials of the former Suez Canal Company, incited the employees and pilots working in the Suez Canal to abandon their work in an attempt to sabotage the operation of the canal.

3. The Governments of France, the United Kingdom and the U.S.A. issued an invitation to 21 countries including Egypt to attend a conference in London to discuss a proposal for the establishment of an international authority for the Suez Canal. On August 12, the Government of Egypt announced its refusal to attend that conference which was convened without consultation with Egypt, to discuss the future of an integral part of its territory. It is to be noted that although the Egyptian Government announced on August 12, 1956, its willingness to sponsor together with the other governments signatories to the Constantinople Convention of 1888, a conference for reviewing the Convention, no negotiations with Egypt have yet taken place.

4. The Egyptian Government studied carefully the proposal submitted to it and the different points of views expressed on the Suez Canal question in and outside the London Conference. On September 10, the Government of Egypt renewed the expression of its belief that solutions by peaceful means could and should be found for questions relating to:

- A. The freedom and safety of navigation in the Canal.
- B. The development of the canal to meet the future requirements of navigation and,
- C. The establishment of just and equitable tolls and charges.

To this end, the Government of Egypt proposed that, as an immediate step, a negotiating body should be formed, to which, may also be entrusted the task of reviewing the Constantinople Convention of 1888, and which would be representative of the different views held among the states using the Suez Canal and that discussions should take place forthwith to settle the composition, the venue and the date of the meeting of such a body. In the opinion of the Egyptian Government, such negotiating body should be composed of representatives of Egypt

and of about eight of the countries using the Canal. The selection of these countries can be agreed upon through diplomatic channels.

5. The Government of Egypt has received till now formal acceptance of this proposal from 21 countries.

6. In contrast with the peaceful and conciliatory attitude of the Government of Egypt, the Prime Minister of the United Kingdom announced, in a statement before the House of Commons on September 12, 1956, that the British Government together with other governments, have decided that "An organization shall be set up without delay to enable the users of the Canal to exercise their rights... The Users Association will employ pilots and undertake the responsibility for the co-ordination of traffic through the Canal... The transit dues will be paid to the Users Association and not to the Egyptian authorities..." He went on to warn that "If the Egyptian Government should seek to interfere with the operations of the Association or refuse to extend to it the essential minimum of co-operation, then that Government will once more be in breach of the Convention of 1888."

7. The Government of Egypt considers the proposed "Users Association" as incompatible with the dignity and sovereign rights of Egypt. It constitutes a flagrant violation of the Charter of the United Nations and the 1888 Convention. The "Users Association" as proposed in the statement of the Prime Minister of the United Kingdom would seek to establish in an unprecedented manner an organization with self-granted jurisdiction within the territory of a sovereign state member of the United Nations without the consent of that State. Such interference in the canal will endanger its freedom of navigation and will not be in the interest of the countries using the canal. It will, moreover, constitute a threat to international peace and security. The 1888 Convention, while guaranteeing the freedom of passage through the canal does not in any way deprive Egypt from its right to administer the canal.

8. Beside the illegality of the proposed "Users Association", it will lead to a complicated and contradictory situation as a result of the creation of two opposing authorities, one legal and the other illegal, one a rightful authority and the other a usurper. One cannot fail to recognize the dangers inherent in such a situation. This proposal is without any justification especially if we

bear in mind that for nearly sixty days and in spite of the difficulties created by France, the United Kingdom and the former Suez Canal Company, the traffic through the canal has been going on with regularity and efficiency as witness the well over 2,216 ships which passed since July 26, when nationalization took place, compared with 2,103 ships, which passed during the corresponding period of 1955. It is to be particularly noted that, during the period which has already elapsed since, by instigation from France, the United Kingdom and segments of the former Suez Canal Company, French and British pilots abandoned their duties, an average of 42 ships a day passed with complete safety, regularity and efficiency through the canal. The distinct success which has marked the affairs of navigation through the canal since the nationalization of the Suez Canal Company has taken place in spite of the endless obstructions and acts of sabotage to which reference is made above, and owing to the active devotion of the Government of Egypt to the freedom of navigation through the canal and to the unstinted efforts of the authority it set for its administration.

9. In the light of what precedes, the Government of Egypt wishes to point out that any vessel wishing to pass through the canal should comply with the canal regulations and duly pay the regular tolls and charges.

10. The Government of Egypt is determined to spare no effort to reach a peaceful solution of the Suez Canal question on the basis of the recognition of the legitimate and sovereign rights of Egypt and in accordance with the Charter of the United Nations, so that the canal would continue to prosper and progress for the benefit of all nations and for the best interests of world prosperity, peace and security. With this in view, it is indispensable, that, an end be put to the acts referred to above which are aimed, particularly by France and the United Kingdom, at taking virtual possession of the canal and destroying the very independence of Egypt; acts that are shocking the whole world and arousing its fears, and are a serious danger to international peace and security, and violations of the utmost gravity of the Charter of the United Nations. The situation should, therefore, be kept under the vigilant eyes of the Security Council.

I have the honour to request that copies of this letter be circulated to the Members of the Security Council.

Please accept, Sir, etc...

(Signed) Omar Loutfi

Permanent Representative
of Egypt
to the United Nations