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HS L 179:115b



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Interoffice memorandum

Letter to Mahmoud Fawzi from DH

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List of contribution of UN towards
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INTEROFFICE MEMORANDUM

TO: A.W. Cordier
FROM: A.G. Katzin ~~AK~~

Date 20 August 1957

SUBJECT:

Herewith two pieces of information which you and the Secretary-General would probably like to know:

1. Perez Guerrero has informed me that the Canal Authority has purchased and has in operation the suction dredger, "Gargamelle" built in Holland for the Suez Canal Company. This is the large capacity dredger which Wheeler anticipated would cater for upwards of half their annual maintenance needs and on which Younis had asked me to intercede with the Dutch in favour of transfer of the delivery contract to the Canal Authority. The Dutch had not been optimistic at the time that I spoke to them about the chances of the Canal Company agreeing to the transfer of the delivery contract to the Egyptians.

2. Wheeler has advised this morning that his daughter is in the Walter Reed Hospital with a serious eye condition which might result in partial loss of her sight.

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10 April 1957

Dear Mahmoud,

As the United Nations responsibility for the clearance of the Suez Canal is drawing rapidly to a close, I feel that I should take up with you questions relating to the scope of United Nations responsibility in that connection.

As you know, our mandate under General Assembly resolutions covered responsibility for the clearance of the Canal. Perhaps the most logical interpretation of that responsibility could be expressed in terms of the restoration of the right of way to a condition allowing resumption of normal traffic. In addition to the major responsibility of lifting and disposing of sunken craft, we have considered it appropriate within our mandate to assist you in the restoration of workshop and telecommunications equipment and in the restoration and modernization of lighting equipment. Agreement has already been reached between General Wheeler and Colonel Younis regarding the measure to which the United Nations will provide assistance in these fields.

On the other hand, I find that I have had more difficulty and am unable to help as far as I had hoped in the direction of the rehabilitation of four tugs and a floating dock and floating crane as well as of a suction dredger, the PAUL SOLENTE. This vessel has proven so badly damaged as to require approximately three months' additional time to re-float. In addition, the equipment needed for the final restoration and re-commissioning of this and the other tugs and equipment cannot be furnished by suppliers from between six to twelve months, apart from the time needed thereafter for its installation. This extended time factor falls so far outside of a reasonable interpretation of my mandate that to my regret I must now conclude that I could not justify their rehabilitation within the United Nations operational framework for assisting the speediest possible resumption of traffic. Furthermore, in terms of our mandate it would clearly be more in line with our responsibility for the restoration of the right of way to assist you in the other area of your need, that is to say dredging, than to pursue the areas in which we might be helpful to you in the provision of floating equipment. I might say that members of the Advisory Committee have also made this distinction and supported this conclusion.

After careful assessment of the constitutional limits under which we must operate, I am glad to inform you that I do find it possible, especially in the light of the lower total cost for the operation than we had anticipated, to justify a doubling of the United Nations contribution of \$500,000 towards the cost of dredging and have advised General Wheeler that we would be able to assist the Canal Authority to the extent of a contribution of \$1,000,000 for this purpose.

I believe that you will see the reasonableness of the above arrangements as constituting a liberal interpretation of our mandate.

What I have said above would constitute the scope of our financial responsibility in connection with the clearance of the Canal, but I should like to assure you that we stand ready to provide such technical assistance in the form of experts as you might find helpful to your task and further that we should be glad to provide our good offices in connection with such negotiations as you would find desirable to meet the technical requirements for the most efficient operation of the Canal.

I should be grateful if you would let me have your reaction to this letter as early as possible.

Very sincerely yours,

Dag Hammarskjöld
Secretary-General

11 June 1957

Dear Ambassador Loutfi,

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As promised, I enclose a note of the principles which General Wheeler discussed with Colonel Younis concerning the contribution by the United Nations towards dredging costs relating to the Suez Canal clearance operation.

It was in the main General Wheeler's feeling that by following the simple procedure outlined, the Canal Authority would have the greatest possible latitude to proceed with its normal bidding and operating procedures and the United Nations in turn would have the necessary minimum record concerning the form and manner which its contribution would take. I hope you will find the suggestions satisfactory to you.

You also asked that reference be made in this note to the offer of the firm of Messrs. Wallace and Tiernan of New York who are furnishing navigational lighting equipment to the Canal Authority. This firm has suggested that it might be advantageous for Colonel Younis to have two or three of his responsible engineers visit their installations in the United States and familiarize themselves with the technical aspects of the equipment, both on the maintenance and operational side. We transmitted this message to Colonel Younis through the United Nations Technical Assistance Board office in Cairo, in case he would wish to take advantage of the offer.

There is one last matter I would wish to mention concerning harbour tolls and dues which Egyptian port authorities originally levied against some of the United Nations vessels and equipment. After representations made by me on this subject, some of these tolls and dues were waived at the later stages of the operation, but certain of the bills rendered had already been met by agents of the United Nations salvors fleet.

His Excellency
M. Omar Loutfi
Permanent Representative of Egypt
to the United Nations
900 Park Avenue
New York 21, New York

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It was suggested that these charges would be refunded when the pertinent data had been supplied to us at the time of the settlement of the salvors account. I presume that you will agree that the simplest method of adjusting this matter would be to deduct such sums from the monies which the United Nations will be remitting to the Egyptian Government against its contribution towards the dredging contracts.

Yours sincerely,

Dag Hammarskjold
Secretary-General

CONTRIBUTION OF THE UNITED NATIONS TOWARDS REINSTATEMENT
OF CONDITIONS FOR NORMAL TRAFFIC IN THE SUEZ CANAL

1. The United Nations will participate to the extent of one million dollars towards adequate maintenance dredging in the Canal to permit the resumption of normal traffic through the waterway.
2. The Egyptian Government will furnish to the United Nations any advertisement or notice of tender together with plans and specifications relating to the dredging contracts and list of names of firms from whom bids or tenders are solicited.
3. Copy of the transcript of bids received will be furnished by the Egyptian Government to the United Nations along with notification of the firm or firms to whom award of contract is made by the Egyptian Government.
4. Periodic reports of the performance under the contract will be submitted by the Egyptian Government to the United Nations together with any information relating to such contract which the United Nations might request.
5. Payments will be made to the Egyptian Government by the United Nations against presentation of receipts from the contractors for payments made to them by the Egyptian Government.