## No. 1181

\$41.74/6-1053; Telegram

The Secretary of State to the Embassy in the United Kingdom 1

SECRET PRIORITY WASHINGTON, June 10, 1953—7:03 p. m. 7866. Formula referred to Deptel 7841 follows:

Verbatim text. In order to clarify certain points of misunderstanding that have arisen in recent discussions between Egypt and the United Kingdom the following memorandum of understanding is hereby agreed and constitutes the terms of reference for the "Base Committee":

To draw up plans for the transfer of the present military base in the Canal Zone to Egyptian control and for keeping it in working order and use so that it may strengthen the area by continuing to supply forces outside Egypt and be available for immediate use in the event of hostilities endangering peace and security of area.

Recommendations will be made regarding the installations and the equipment within the base area and the equipment in the base under the following considerations:

(a) That the Egyptian Government in exercise of its sovereignty over base will undertake by the agreement to insure the security of British property therein.

(b) That the present level of depot stocks may be maintained but not increased except by consent of the Egyptian Government.

(c) That the British experts needed shall be limited to the absolute minimum numbers required for the efficient operation of the installation and the maintenance and current withdrawals and additions of British equipment left in the base.

(d) That arrangements will be proposed for the training of Egyptian personnel to replace British personnel utilized for the above purposes within a minimum period to be agreed upon between the two delegations. At the end of this period British personnel will no longer be stationed within the base area except as may be agreed to at that time by Egyptian Government. It is understood that at the end of the above time period British inspectors may be attached to the staff of the UK Ambassador to Egypt and will be allowed to inspect Egyptian maintenance of British-owned supplies in the base and examine the measures taken by the Egyptian base commander to carry out British directions regarding the maintenance and disposition of such supplies, equipment and facilities.

(e) It is understood that channels from London effecting the above matters will be to the United Kingdom Military Attaché attached to the United Kingdom Embassy in Egypt. These instructions will be forwarded to the Egyptian base commander through

Repeated to Cairo as telegram 2339. Drafted by Burdett and approved by Byronde after being cleared in draft by the Secretary of State.