The Egyptian Minister for Foreign Affairs to Her Majesty's Charge d'Affaires at Cairo

MINISTRY FOR FOREIGN AFFAIRS

Cairo, July 16, 1952

M. le Ministre,

I have the Honour to transmit herewith a draft agreement on the subject of the construction of the Owen Falls Dam in Uganda, and to propose, subject to approval, that the present draft agreement and your reply thereto constitute a formal agreement between our two Governments.

I avail, &c.

H. SIRRY

ENCLOSURE

The Royal Egyptian Government-

(i) Will bear that part of the cost of the dam at Owen Falls which is necessitated by the raising of the level of Lake Victoria and by the use of Lake Victoria for the storage of water;

(ii) Will bear the cost of compensation in respect of interests affected by the implementation of the scheme or, in the alternative, the cost of creating conditions which shall afford equivalent facilities and amenities to those at present enjoyed by the organisations and persons affected, and the cost of such works of reinstatement as are necessary to ensure a continuance of the conditions obtaining before the scheme comes into operation, such costs to be calculated in accordance with arrangements to be agreed between our two Governments;

(iii) Will pay to the Uganda Electricity Board the sum of £ 980,000 as compensation for the consequential loss of hydroelectric power, such payment to be made on the date when power for commercial sale is first generated at the Owen Falls;

(iv) Agrees that, for the purpose of the calculation of the compensation under the provisions of sub-paragraph (ii), all new flooding around Lake Victoria within the agreed range of three metres shall be deemed to be due to the implementation of the scheme.
II

Her Majesty's Ambassador at Cairo to the Egyptian Minister for Foreign Affairs

BRITISH EMBASSY

Cairo, January 5, 1953

M. le Ministre,

With reference to the letter of July 16 addressed to Mr. M. J. Creswell by Maitre Hussein Sirry concerning financial arrangements which will arise out of participation by the Royal Egyptian Government in the Owen Falls Scheme in Uganda, I have the honour to confirm that the text proposed by the Royal Egyptian Government is acceptable to Her Majesty's Government in the United Kingdom and that Maitre Sirry's letter under reference and this reply will constitute a formal accord between our two Governments.

2. I also confirm that the text should read as follows :-

[As in enclosure to No. 1]

I have, &c.

Ralph Skrine STEVENSON

1 Came into force on 5 January 1953 by the exchange of the said notes.
2 Translation by the Government of the United Kingdom