

UNITED STATES
OF AMERICA



Treaty Series No. 66 (1962)

Exchange of Notes

between the Government of the
United Kingdom of Great Britain and Northern Ireland and
the Government of the United States of America

concerning a Weapons Production
Programme in accordance with the terms
and conditions of the Mutual Defence
Assistance Agreement signed at Washington
on January 27, 1950

London, June 29, 1962

*Presented to Parliament by the Secretary of State for Foreign Affairs
by Command of Her Majesty
November 1962*

LONDON

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Cmnd. 1863

EXCHANGE OF NOTES BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA CONCERNING A WEAPONS PRODUCTION PROGRAMME IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE MUTUAL DEFENCE ASSISTANCE AGREEMENT SIGNED AT WASHINGTON ON JANUARY 27, 1950

No. 1

The United States Ambassador in London to the Secretary of State for Foreign Affairs

*United States Embassy,
London, June 29, 1962.*

Sir:

I have the honor to refer to recent discussions between representatives of our two Governments concerning a Weapons Production Program, the purpose of which is to increase the capacity of North Atlantic Treaty Organization countries, jointly and severally, to produce, maintain, repair, and overhaul equipment and materials needed for their mutual defense.

As a result of these discussions, the following understandings were reached:

1. The Government of the United States of America will furnish under the Weapons Production Program to the Government of the United Kingdom of Great Britain and Northern Ireland such equipment, materials, services, and information as may be mutually arranged in accordance with paragraph 7 hereof, to assist in the production, maintenance, repair, and overhaul of equipment and materials needed for the common defense.

2. The assistance furnished by the Government of the United States of America under this program will be made available in accordance with the terms and conditions of the Mutual Defense Assistance Agreement between the United States of America and the United Kingdom of Great Britain and Northern Ireland, signed at Washington on January 27, 1950,⁽¹⁾ and agreements amendatory and supplementary thereto.⁽²⁾

3. The Weapons Production Program shall be carried on through mutually agreed projects, which may include projects carried on solely by the United Kingdom as well as joint projects or coordinated production. Such joint projects may include those in which NATO countries carry out the project work through the North Atlantic Treaty Organization, including subsidiary bodies of the North Atlantic Council. Accordingly, assistance

(1) "Treaty Series No. 13 (1950)", Cmd. 7894.

(2) "Treaty Series No. 9 (1952)", Cmd. 8480.

"Treaty Series No. 47 (1957)", Cmnd. 198.

"Treaty Series No. 30 (1959)", Cmnd. 714.

"Treaty Series No. 12 (1962)", Cmnd. 1612.

furnished by the Government of the United States of America under this program may, at the request of the Government of the United Kingdom, be furnished to the North Atlantic Treaty Organization or such a subsidiary body. The undertakings of the Government of the United Kingdom set forth in this agreement will extend to all joint projects in which the United Kingdom participates, as well as to projects carried out exclusively by the Government of the United Kingdom.

4.—A. The Government of the United Kingdom, in connection with assistance intended to create or expand facilities under this program, will:

- (1) Use its best efforts to maintain or cause to be maintained those facilities which the Government of the United States of America has assisted in establishing or expanding so that they will be in a condition properly to produce, maintain, repair, and overhaul equipment and materials, when they may be required. Pending such time, such additional facilities and equipment furnished by the Government of the United States of America may be used for other agreed purposes, provided that such use will not interfere with the ready availability of such facilities for use for the purpose for which they were established or expanded.
- (2) Subject to the provisions of paragraph 7 hereof, furnish all of the land, buildings, equipment, materials, and services required for such additional facilities, except for the equipment, materials, services, and information to be furnished either by private industry, by the Government of the United States of America or by other governments participating in joint projects, and take whatever measures are required to establish or expand such facilities in good operating order.
- (3) Use its best efforts to maintain or cause to be maintained in usable condition a total capacity of facilities for the production or fabrication, for military purposes, of equipment and materials of the same type as those which may be produced or fabricated in a facility established or expanded with the assistance of the Government of the United States of America, which shall not be less than the aggregate of the capacity of such facilities already existing, those already programmed for construction in the United Kingdom under public or private ownership on the date of the conclusion of the project arrangements for such a corresponding facility, and those established or expanded with United States assistance.
- (4) Use its best efforts to maintain or cause to be maintained in usable condition a total capacity of facilities for the maintenance, repair, or overhaul of military equipment or material of the same type as those established or expanded with the assistance of the Government of the United States of America, which shall not be less than the aggregate of the capacity of such facilities already existing, those already programmed for construction in the United Kingdom under public ownership on the date of the conclusion of the project arrangement for such a corresponding facility, and those established or expanded with United States assistance.

B. The undertakings in this paragraph with respect to the maintenance of facilities are subject to the understanding that should changed conditions make continued compliance with these undertakings either unnecessary as a matter of defense, or impracticable, the Government of the United Kingdom may, after consultation with the Government of the United States of America, modify those undertakings to accord with these changed conditions.

5. The Government of the United Kingdom also will:

- A. Sell, or cause to be sold, the products and services resulting from this program to other NATO nations at fair and reasonable prices, and shall not discriminate, or permit discrimination, among such nations in terms of the price charged for, or the quality of, such products or services, the time within which such products or services are delivered and performed, or, subject to security considerations, in any other manner.
- B. Sell, or permit the sale of, the products and services resulting from this program to non-NATO nations only in such cases as may be mutually agreed upon.
- C. Insure that the savings on cost which have resulted from the materials, equipment, or services supplied by the Government of the United States of America will subsequently be passed on in the prices to be charged to nations referred to in subparagraphs A and B above.
- D. Implement the provisions of subparagraphs A, B, and C above either directly or through its contractual relationships with private industry doing work in connection with this program.
- E. Permit the importation and exportation free from customs duties, taxes, or other similar charges of equipment and materials sent to the United Kingdom in connection with this program for production, maintenance, repair, or overhaul in any facility expanded or established with United States assistance, and permit the exportation free from customs duties, taxes, or other similar charges of the products and services of such facilities sold to other nations in accordance with the provisions of this note.

6. When either government proposes to sell or transfer to a third nation any of the following, it shall first obtain the agreement of the other government:

- A. Items produced under this program to which such other government has contributed, either directly or indirectly, classified information essential to their manufacture, use or maintenance;
- B. Any currently classified information originated by such other government and furnished in connection with the production, maintenance, repair, overhaul or use of items produced under this program.

7. It is recognised that the present arrangements do not commit either government to contribute any definite amount of funds to any given project to be carried out hereunder. In carrying out this program, our two Governments, acting through their appropriate contracting officers, will enter into supplementary arrangements covering the specific projects involved, which

will set forth the nature and amounts of the contributions to be made by each government, the description and purpose of the facilities to be established, appropriate security and proprietary rights arrangements and other appropriate details. Joint projects may be covered by supplementary arrangements entered into between the Government of the United States of America and the North Atlantic Treaty Organization, including subsidiary bodies of the North Atlantic Council.

I have the honor to propose that, if these understandings meet with the approval of the Government of the United Kingdom, the present note, together with your reply in that sense, shall constitute detailed arrangements pursuant to Article I, paragraph 1 of the Mutual Defense Assistance Agreement between our two Governments, and shall enter into force on the date of your reply.

Accept, etc.

DAVID BRUCE.

No. 2

*The Secretary of State for Foreign Affairs to the United States Ambassador
in London*

Foreign Office, S.W. 1,

June 29, 1962.

Your Excellency,

I have the honour to acknowledge receipt of Your Excellency's note of today's date in which you set out certain understandings reached as a result of discussions between representatives of our two Governments concerning a Weapons Production Program.

In reply I have the honour to inform Your Excellency that the understandings set out in your note under reference meet with the approval of the Government of the United Kingdom. Accordingly the Government of the United Kingdom will regard Your Excellency's note and this reply as constituting detailed arrangements pursuant to Article I, paragraph 1, of the Mutual Defence Assistance Agreement between our two Governments signed at Washington on January 27, 1950, and will consider these arrangements as entering into force forthwith.

I avail etc.

HOME.

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