

No. 3320

**UNITED STATES OF AMERICA
and
UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND**

Exchange of notes constituting an agreement relating to a special program of facilities assistance for mutual defense purposes. London, 8 and 15 June 1954

Official text: English.

Registered by the United States of America on 26 April 1956.

**ÉTATS-UNIS D'AMÉRIQUE
et
ROYAUME-UNI DE GRANDE-BRETAGNE
ET D'IRLANDE DU NORD**

Échange de notes constituant un accord relatif à un programme spécial d'aide en moyens de production pour la défense mutuelle. Londres, 8 et 15 juin 1954

Texte officiel anglais.

Enregistré par les États-Unis d'Amérique le 26 avril 1956.

No. 3320. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND RELATING TO A SPECIAL PROGRAM OF FACILITIES ASSISTANCE FOR MUTUAL DEFENSE PURPOSES. LONDON, 8 AND 15 JUNE 1954

I

The American Ambassador to the British Secretary of State for Foreign Affairs

AMERICAN EMBASSY
LONDON, ENGLAND

N° 2879

June 8, 1954

Excellency :

I have the honor to refer to recent discussions between representatives of our two Governments concerning a special program of facilities assistance proposed to be furnished by the Government of the United States to the Government of the United Kingdom of Great Britain and Northern Ireland in accordance with the principles and conditions set forth in the Mutual Defense Assistance Agreement between our two Governments dated the 27th of January, 1950,² as supplemented by an Exchange of Notes dated the 8th of January, 1952,³ and such other applicable Agreements as may be in force between our two Governments. The purpose of this program would be to increase the capacity of the United Kingdom of Great Britain and Northern Ireland to produce propellants and explosives, such increased capacity being urgently needed for the mutual defense of the North Atlantic Treaty countries.

As a result of these discussions the following understandings were arrived at concerning the arrangements which the two governments intend shall govern the execution of any such program :

(1) Subject to the terms and conditions set out in the present Note, to the completion of the supplementary arrangements referred to in numbered paragraph (5) below and to the terms and conditions of the relevant United States legislation, the Government of

¹ Came into force on 15 June 1954 by the exchange of the said notes.

² United Nations, *Treaty Series*, Vol. 80, p. 261, and Vol. 164, p. 362.

³ United Nations, *Treaty Series*, Vol. 179, p. 201.

the United States intend to furnish to the Government of the United Kingdom such production equipment and technical advice as may be mutually arranged in accordance with the provisions of para. (5) below.

(2) The Government of the United Kingdom for their part intend, should such production equipment and technical advice be furnished,

(a) not to discriminate in the sale of propellants and explosives produced with facilities provided under these arrangements against any North Atlantic Treaty country in terms of the price charged, the quality made available, delivery dates, or in any other manner;

(b) to maintain the additional facilities made available through United States assistance so that they will be in a condition to produce propellants and explosives promptly when they may be required; but pending such time equipment furnished by the United States and such additional facilities may be used for other purposes, provided that such use will not interfere with the ready availability of such equipment and facilities for the production of propellants and explosives;

(c) to furnish all the land, buildings, equipment, materials, and services required for the additional production facilities, except for the equipment and technical advice to be furnished by the Government of the United States, and to take whatever measures are required to accomplish the increase in production facilities envisaged in this program.

(3) It is mutually understood that the appropriation of funds by the United States Congress for the Facilities Assistance Program was for the purpose of assisting in the creation of a net addition to European ammunition production capacity. In furtherance of this purpose, the United Kingdom Government intend if assistance is furnished to the United Kingdom under this Program, and subject to the voting by the Parliament of the necessary funds, requests for which will, whenever necessary, be made, to maintain or cause to be maintained in usable condition in addition to the new facilities provided for hereunder a total production capacity for propellants and explosives which shall not be less than the aggregate of that now existing and that already programmed for construction in the United Kingdom, whether under private or public ownership.

(4) Undertakings of the United Kingdom Government in accordance with subparagraph (b) of paragraph (2) and paragraph (3) above would be subject to the understanding that should changed conditions make continued compliance with these undertakings either unnecessary as a matter of defense or unfeasible, the United Kingdom Government may, after consultation with the Government of the United States, modify or terminate these undertakings in accordance with such changed conditions.

(5) In carrying out the Facilities Assistance Program our two Governments intend, acting through their appropriate Contracting Officers, to enter into supplementary arrangements covering the specific projects involved, which will set forth the nature and amount of the contributions to be made by the Government of the United States and the United Kingdom Government, the description and purpose of the facilities to be established, and other appropriate details. Such arrangements may include provisions for the procurement from the United Kingdom Government under the Off-Shore Procurement Program, of the equipment which is to be furnished by the United States Government, and the transfer of such equipment to the United Kingdom Government in accordance with the provisions of the Mutual Defense Assistance Agreement.

I propose that if these understandings meet with the approval of the Government of the United Kingdom, the present Note and your Note in reply thereto shall be considered as constituting a confirmation of these arrangements pursuant to Article I, paragraph 1 of the Mutual Defense Assistance Agreement between our two Governments, and that these arrangements shall, unless otherwise agreed between our two Governments, govern the execution of this Special Program of Facilities Assistance.

Accept, Excellency, the renewed assurances of my highest consideration.
Winthrop W. ALDRICH

The Right Honorable Anthony Eden, M. C., M. P.
Secretary of State for Foreign Affairs
Foreign Office
London, S. W. 1

II

The British Secretary of State for Foreign Affairs to the American Ambassador

FOREIGN OFFICE, S. W. 1.

(M 1028/17).

June 15, 1954

Your Excellency,

I have the honour to acknowledge receipt of your Note No. 2879 of the 8th of June, concerning a special programme of facilities assistance proposed to be furnished by the Government of the United States to the Government of the United Kingdom.

In reply I have to state that the understandings set forth in the said note are acceptable to Her Majesty's Government in the United Kingdom, and that Your Excellency's note and this reply shall be considered as constituting a confirmation of these arrangements pursuant to Article I, paragraph 1 of the Mutual Defence Assistance Agreement between our two Governments, and that these arrangements shall, unless otherwise agreed between our two Governments, govern the execution of this Special Programme of Facilities Assistance.

I have the honour to be, with the highest consideration,
Your Excellency's obedient Servant,

(For the Secretary of State)
Selwyn LLOYD

His Excellency the Honourable Winthrop W. Aldrich, G.B.E.
etc., etc., etc.