

No. 3321

---

**UNITED STATES OF AMERICA  
and  
FRANCE**

**Exchange of notes constituting an agreement relating to a special program of facilities assistance. Paris, 31 May 1954**

*Official texts: English and French.*

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

---

**ÉTATS-UNIS D'AMÉRIQUE  
et  
FRANCE**

**Échange de notes constituant un accord relatif à un programme spécial d'aide en moyens de production. Paris, 31 mai 1954**

*Textes officiels anglais et français.*

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

No. 3321. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA AND FRANCE RELATING TO A SPECIAL PROGRAM OF FACILITIES ASSISTANCE. PARIS, 31 MAY 1954

N<sup>o</sup> 3321. ÉCHANGE DE NOTES CONSTITUANT UN ACCORD<sup>1</sup> ENTRE LES ÉTATS-UNIS D'AMÉRIQUE ET LA FRANCE RELATIF À UN PROGRAMME SPÉCIAL D'AIDE EN MOYENS DE PRODUCTION. PARIS, 31 MAI 1954

---

I

*The American Ambassador to the French Secretary of State for Foreign Affairs*

AMERICAN EMBASSY

Paris, May 31, 1954

Excellency :

I have the honor to refer to recent discussions between representatives of our two Governments concerning a special program of facilities assistance by the United States Government to the French Government to be carried out in accordance with the principles and conditions set forth in the mutual Defense Assistance Agreement between our two Governments, dated January 27, 1950,<sup>2</sup> as amended and supplemented, and any other applicable agreements between our two Governments. The purpose of this program is to increase the capacity of France to produce propellants and explosives. This increased capacity is urgently needed for the mutual defense of the North Atlantic Treaty countries.

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

1. The United States Government will furnish to the French Government such production equipment and technical advice as may be mutually arranged as provided in paragraph 7 of this letter.

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

---

<sup>1</sup> Came into force on 31 May 1954 by the exchange of the said notes.

<sup>2</sup> United Nations, *Treaty Series*, Vol. 80, p. 171.

---

<sup>1</sup> Entré en vigueur le 31 mai 1954 par l'échange desdites notes.

3. The French Government will maintain the additional facilities made available with 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 such use will not interfere with the ready availability of such equipment and facilities for the production of propellants and explosives.

4. As regards the sale of propellants and explosives produced in new facilities made available through United States assistance, the French Government undertakes to deal with all NATO countries on an equal footing without discrimination as to price, quality or delivery dates, except that which may arise from normal commercial considerations.

5. 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 French Government undertakes that, in addition to the new facilities provided for in this letter, it will maintain or cause to be maintained in usable condition a total production capacity for propellants and explosives which shall be not less than the aggregate of that now existing and that already programmed for construction in France.

6. The undertakings in paragraph 3 and in paragraph 5 of this letter with respect to the maintenance of facilities are subject to the understanding that should changed conditions make continued compliance with this undertaking either unnecessary as a matter of defense or unfeasible, the French Government may, after consultation with the United States Government, modify this undertaking to accord with such changed conditions.

7. In carrying out the facilities assistance 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 the United States Government and the French Government, the description and purposes of the facilities to be established, and other appropriate details. Such arrangements may include provisions for the procurement of equipment to be furnished by the United States Government through the French Government under the offshore procurement program, and the transfer of such equipment to the French Government in accordance with the provisions of the Mutual Defense Assistance Agreement.

I propose that if these understandings meet with the approval of the French Government, the present letter and your letter in reply be considered as constituting the agreement of our two Governments on these arrangements pursuant to Article I, Paragraph 1 of the Mutual Defense Assistance Agreement between our two Governments.

Please accept, Excellency, the renewed assurances of my highest consideration.

Douglas DILLON

His Excellency Monsieur Maurice Schumann  
Secretary of State for Foreign Affairs  
Paris

I have the honor to inform you that this understanding meets with the approval of the French Government. Your note of May 31 and this reply shall, therefore, be considered as constituting the agreement of our two Governments on the provisions of this understanding, in accordance with Article 1, paragraph 1, of the Mutual Defense Assistance Agreement between our two Governments.

Please accept, Mr. Ambassador, the assurances of my highest consideration.

Maurice SCHUMANN

His Excellency Douglas Dillon  
Ambassador of the United States  
Paris