

No. 5455

**UNITED STATES OF AMERICA
and
ITALY**

**Exchange of notes constituting an agreement relating to a
weapons production program. Rome, 7 July 1960**

Official texts: English and Italian.

Registered by the United States of America on 15 November 1960.

**ÉTATS-UNIS D'AMÉRIQUE
et
ITALIE**

**Échange de notes constituant un accord relatif à un pro-
gramme de production d'armes. Rome, 7 juillet 1960**

Textes officiels anglais et italien.

Enregistré par les États-Unis d'Amérique le 15 novembre 1960.

No. 5455. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND ITALY RELATING TO A WEAPONS PRODUCTION PROGRAM. ROME, 7 JULY 1960

I

The American Ambassador to the Italian Minister for Foreign Affairs

AMERICAN EMBASSY

No. 6

Rome, July 7, 1960

Excellency :

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 Treaty² 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 Italy such equipment, materials, services, and information as may be mutually arranged in accordance with paragraph 8 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 Agreement effected by an exchange of notes signed on January 27, 1950, between the United States of America and Italy,³ and agreements amendatory and supplementary thereto.

3. The Weapons Production Program shall be carried on through mutually agreed projects, which may include projects carried on solely by Italy as well as joint projects of 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 furnished by the Government of the United States of America under this agreement may, at the request of the Government of Italy, be furnished to the North Atlantic Treaty Organization or such a subsidiary body. The undertakings of the Government of Italy set forth in this agreement will extend to the participation of Italy in all joint projects, as well as to projects carried out exclusively by the Government of Italy.

¹ Came into force on 7 July 1960 by the exchange of the said notes.

² United Nations, *Treaty Series*, Vol. 34, p. 243 ; Vol. 126, p. 350, and Vol. 243, p. 308.

³ United Nations, *Treaty Series*, Vol. 80, p. 145, and Vol. 238, p. 310.

4. *a.* The Government of Italy, in connection with assistance intended to create or expand facilities under this program, and subject to the voting by Parliament of the necessary funds, requests for which will, whenever necessary, be made, will :

- (1) Maintain or cause to be maintained those facilities which the Government of the United States of America has assisted to establish or expand 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 purposes to be agreed upon by appropriate representatives of the two Governments, 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) 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 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 Italy 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) Maintain or cause to be maintained in usable condition a total capacity of facilities for the maintenance, repair, or overhaul of military equipment or materiel 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 Italy 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 Italy may, following agreement by both the Italian and United States Governments recognizing the changed conditions, modify those undertakings.

5. The Government of Italy also will :

- a.* Sell the products and services resulting from this program to other NATO nations at fair and reasonable prices, and shall not discriminate 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 in any other manner.
- b.* Sell the products and services resulting from this program to non-NATO nations only in such cases as may be mutually agreed upon.

- c. Exclude as an element of the price of the products and services sold any charge which is attributable in any way to the initial cost of equipment, materials, or services furnished by the Government of the United States of America.
- d. Permit the importation and exportation free from customs duties, taxes, or other similar charges of equipment and materials sent to Italy 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. Agreement of our two Governments shall be a prerequisite to the sale or transfer to any other nation by Italy of the following :

- a. Items produced under this program to which the Government of the United States of America has contributed, either directly or indirectly, classified information essential to their manufacture, use, or maintenance ;
- b. Any classified information of United States origin furnished in connection with the production, maintenance, repair, overhaul, or use of items produced under this program.

7. The Government of Italy will furnish without cost to the Government of the United States of America for defense purposes technical information (proprietary or other) utilized or developed in the production, maintenance, repair, overhaul, or development of military items under this program, and will grant to the Government of the United States of America for defense purposes a royalty-free license on inventions, improvements, and discoveries made in connection with the work carried out under this program, to the extent to which, and subject to the conditions under which, the Government of Italy has the right so to do without the payment of royalties or other compensation to others. The Government of Italy undertakes that, in entering into contracts subsequent to the effective date of this agreement for the production, maintenance, repair, overhaul, or development of military items under this program, it will obtain for the Government of the United States of America rights to technical information (proprietary or other) and to inventions, improvements, and discoveries equal to those obtained under such contracts by the Government of Italy for itself.

8. In carrying out this program, our two Governments, acting through their appropriate officials, 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 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.

9. The agreements effected by exchanges of notes signed on June 24, 1954,¹ and on July 9 and 16, 1958,² and concerning special programs of facilities assistance are hereby terminated. However, individual project arrangements executed prior to the effective date of this agreement shall continue in full force and effect subject to the provisions of this agreement.

¹ United Nations, *Treaty Series*, Vol. 235, p. 3.

² United Nations, *Treaty Series*, Vol. 341, p. 390.

I have the honor to propose that, if these understandings meet with the approval of the Government of Italy, the present note and Your Excellency's note in reply concurring therein shall constitute detailed arrangements pursuant to Article I, paragraph 1, of the mutual defense assistance Agreement of January 27, 1950, between our two Governments, superseding, except as provided in paragraph 9 of this note, the agreements concerning special programs of facilities assistance effected by exchanges of notes signed on June 24, 1954, and on July 9 and 16, 1958, and shall enter into force on the date of Your Excellency's reply.

Accept, Excellency, the renewed assurances of my highest consideration.

James D. ZELLERBACH

His Excellency Antonio Segni
Minister for Foreign Affairs
Rome

II

The Italian Minister for Foreign Affairs to the American Ambassador

[ITALIAN TEXT — TEXTE ITALIEN]

IL MINISTRO DEGLI AFFARI ESTERI

Eccellenza,

ho l'onore di riferirmi alla Sua Nota del 7 luglio 1960 del seguente tenore :

« Ho l'onore di riferirmi alle recenti conversazioni intervenute tra rappresentanti dei nostri due Governi in merito ad un Programma di Produzione di Materiale Bellico, tendente ad incrementare la capacità dei Paesi della NATO, congiuntamente o separatamente, di produrre, curare la manutenzione, riparare a revisionare le attrezzature e i materiali necessari alla loro comune difesa.

A seguito di tali conversazioni, sono state raggiunte le seguenti intese :

1) — il Governo degli Stati Uniti d'America fornirà al Governo italiano, nel quadro del Programma di Produzione di Materiale Bellico e a titolo di assistenza nella produzione, manutenzione, riparazione e revisione delle attrezzature e dei materiali necessari alla comune difesa, le attrezzature, i materiali, i servizi e le informazioni che saranno stabiliti di comune accordo ai termini del successivo paragrafo 8.

2) — l'assistenza fornita, nel quadro del presente Programma, dal Governo degli Stati Uniti d'America, sarà messa a disposizione nei termini ed alle condizioni

[TRANSLATION¹ — TRADUCTION²]

THE MINISTER OF FOREIGN AFFAIRS

Excellency :

I have the honor to refer to your note, dated July 7, 1960, of the following tenor :

[*See note I*]

I have the honor to inform Your Excellency that the Government of Italy agrees to the foregoing.

Accept, Excellency, the assurances of my highest consideration.

A. SEGNI

Rome, July 7, 1960

His Excellency James David Zellerbach
Ambassador of the United States of America
Rome

¹ Translation by the Government of the United States of America.

² Traduction du Gouvernement des États-Unis d'Amérique.