

No. 5730

**UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
and
FEDERAL REPUBLIC OF GERMANY**

**Exchange of notes constituant an agreement concerning
local defence costs of United Kingdom Forces stationed
in the Federal Republic and related measures of mutual
aid in accordance with article 3 of the North Atlantic
Treaty. Bonn, 7 June 1957**

Official texts: English and German.

*Registered by the United Kingdom of Great Britain and Northern Ireland on
16 June 1961.*

**ROYAUME-UNI DE GRANDE-BRETAGNE
ET D'IRLANDE DU NORD
et
RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE**

**Échange de notes constituant un accord relatif aux dépenses
locales engagées pour la défense par les forces du
Royaume-Uni stationnées dans la République fédérale
et aux mesures connexes d'aide mutuelle prévues à
l'article 3 du Traité de l'Atlantique Nord. Bonn, 7 juin
1957**

Textes officiels anglais et allemand.

*Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le
16 juin 1961.*

No. 5730. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY CONCERNING LOCAL DEFENCE COSTS OF UNITED KINGDOM FORCES STATIONED IN THE FEDERAL REPUBLIC AND RELATED MEASURES OF MUTUAL AID IN ACCORDANCE WITH ARTICLE 3 OF THE NORTH ATLANTIC TREATY.² BONN, 7 JUNE 1957

I

The Federal German Minister for Foreign Affairs to Her Majesty's Ambassador at Bonn

[GERMAN TEXT — TEXTE ALLEMAND]

Bonn, den 7. Juni 1957

Exzellenz,

In der Zeit vom 14. Januar bis 2. März 1957 sind in Bonn Besprechungen zwischen Vertretern der Regierungen der Bundesrepublik Deutschland und des Vereinigten Königreichs von Grossbritannien und Nordirland mit dem Ziel geführt worden, zu einer Vereinbarung über gegenseitige Hilfe im Geiste des Artikels 3 des Nordatlantik-Vertrages zu gelangen, der besagt, dass die Vertragspartner „einzeln und gemeinsam durch ständige und wirksame Selbsthilfe und gegenseitige Unterstützung die eigene und gemeinsame Widerstandskraft gegen bewaffnete Angriffe erhalten und fortentwickeln werden“.

Im Laufe dieser Besprechungen hat die Bundesregierung die Massnahmen geprüft, die die Bundesrepublik neben ihren eigenen, in aufsteigender Entwicklung begriffenen Verteidigungsanstrengungen im Verfolg der Ziele des Artikels 3 treffen könnte. Die Bundesregierung hat, von der gegenwärtigen Lage der beiden Länder ausgehend, ihre Bereitschaft erklärt, neben gewissen Massnahmen der wirtschaftlichen und finanziellen Zusammenarbeit, die Gegenstand eines besonderen Briefwechsels sind, ohne Präjudiz für die Zukunft einen freiwilligen Beitrag zu den Verteidigungsanstrengungen des Vereinigten

¹ Came into force on 12 May 1959, the day on which the Federal Government notified the Government of the United Kingdom that the approval as required by the Constitution had been given, in accordance with the provisions of the said notes.

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

[TRANSLATION¹ — TRADUCTION²]

Bonn, June 7, 1957

Excellency,

Discussions have been carried out in Bonn in the period from January 14 to March 2, 1957, between representatives of the Governments of the Federal Republic of Germany and the United Kingdom of Great Britain and Northern Ireland with the object of reaching agreement on mutual aid in the light of Article 3 of the North Atlantic Treaty³ which provides that the parties to the Treaty "separately and jointly by means of continuous and effective self-help and mutual aid, will maintain and develop their individual and collective capacity to resist armed attack".

In the course of these discussions the Federal Government has examined the measures which the Federal Republic might take in pursuance of the objects of Article 3, in addition to its own defense efforts which are progressively developing. In the present circumstances of the two countries the Federal Government has declared its willingness, in addition to certain measures of economic and financial co-operation which are the subject of a separate exchange of letters, to make, without prejudice to the future, a voluntary contribution to the defence effort of the United Kingdom, and has the honour to propose to the Government of the United Kingdom the following agreement :

1. The Federal Government will make

- (a) a contribution in the amount of DM.200 million toward additional costs resulting to the United Kingdom from the maintenance of United Kingdom Forces in the Federal Republic; and
- (b) as a further measure of mutual aid, a payment of DM.388 million.

2. The amount payable under paragraph 1 shall become due on the entry into force of this agreement and shall be paid into an account with the Bank deutscher Länder in favour of the United Kingdom for use in the Deutschmark (West) currency area. Following the signature of this agreement, but not before April 1, 1957, the Federal Government shall, at the request of the Government of the United Kingdom and subject to the approval of the competent Committees of the German Bundestag, make an advance payment up to an amount of DM.150 million to the credit of the account referred to above, in respect of the amounts referred to under paragraph 1.

3. After the entry into force of this agreement the Federal Government and the Government of the United Kingdom will take all measures necessary for its implementation.

¹ Translation by the Government of the United Kingdom.

² Traduction du Gouvernement du Royaume-Uni.

³ United Nations, *Treaty Series*, Vol. 34, p. 243; Vol. 126, p. 350, and Vol. 243, p. 308.

4. The Federal Government may call for discussions at any time after September 1, 1957, with a view to amendment of the figures in paragraph 1 (a) and (b) in the light of any changes in the situation which may be held to have a bearing on the appropriateness of the level of contribution now agreed.

5. On the German side, this agreement requires the approval of the legislative bodies. The agreement shall enter into force on the date on which the Federal Government notifies the Government of the United Kingdom that approval as required by the Constitution has been given.

6. I have the honour to suggest that, if the Government of the United Kingdom declare their acceptance of the proposal contained in paragraphs 1 to 5 above, this Note, together with your reply in that sense, shall constitute an Agreement between the two Governments.

Please accept, etc.

V. BRENTANO

II

Her Majesty's Ambassador at Bonn to the Federal German Minister for Foreign Affairs

BRITISH EMBASSY

Bonn, June 7, 1957

Your Excellency,

I have the honour to acknowledge receipt of your Note of June 7, 1957, which, in agreed translation, reads as follows :

[*See note I*]

I have the honour to inform you that the Government of the United Kingdom accept the proposal set out in your Note above and that, in accordance with your suggestion, your Note and this reply shall constitute an Agreement between the two Governments.

I have, etc.

Christopher STEEL

(c) Sollten die Zusatzvereinbarungen zum NATO-Truppenstatut nicht bis zum 31. Dezember 1957 in Kraft getreten sein, so werden die Bundesrepublik und das Vereinigte Königreich über eine Regelung in Fortsetzung der in obiger Ziffer (b) enthaltenen Regelung für einen noch zu bestimmenden weiteren Zeitraum verhandeln

(d) Die Vereinbarungen der obigen Ziffern (a) bis (c) präjudizieren weder den Rechtsstandpunkt der Parteien des Finanzvertrages noch die Verhandlungen über die Zusatzvereinbarungen zum NATO-Truppenstatut.

Für den Fall, dass diese Regelungen von der Regierung des Vereinigten Königreichs angenommen werden, beehre ich mich vorzuschlagen, dass diese Note und Ihre entsprechende Antwort einen integrierenden Bestandteil der Vereinbarung bilden sollen, die durch den zu Beginn dieser Note erwähnten. Notenwechsel zwischen den beiden Regierungen getroffen worden ist.

Genehmigen Sie, etc.

V. BRENTANO

[TRANSLATION¹ — TRADUCTION²]

Bonn, June 7, 1957

Excellency,

I have the honour to propose on behalf of the Government of the Federal Republic of Germany the following arrangements supplementing the Exchange of Notes of to-day on the subject of mutual aid (Article 3 of the North Atlantic Treaty):

1. The United Kingdom of Great Britain and Northern Ireland will place at the disposal of the Federal Republic such funds as are required to meet those expenditures for which the United Kingdom has assumed responsibility under the Finance Convention³ including Annex "A" thereto and under paragraph 3 below as well as under any other agreements as may be made. These funds will be placed at the disposal of the Federal Republic in time to enable the German authorities to make the necessary payments when due. All other procedural matters arising in connexion with the making available and expending of such funds will be regulated by administrative agreement.

2. As regards the use of the amounts payable under the Exchange of Notes the competent German authorities will operate on behalf of the United Kingdom Forces by the application, *mutatis mutandis*, of the provisions agreed for Support Costs, unless otherwise agreed.

¹ Translation by the Government of the United Kingdom.

² Traduction du Gouvernement du Royaume-Uni.

³ United Nations, *Treaty Series*, Vol. 332, p. 157.

3. (a) The cost of meeting claims in respect of damage caused to accommodation or moveables which were made available for use by the United Kingdom Forces before May 6, 1955, and which have been or will be released by those Forces after May 5, 1956, and before May 5, 1957, shall be borne in full by the Federal Republic.

(b) The cost of meeting claims in respect of damage caused to accommodation or moveables made available for use by the United Kingdom Forces before May 6, 1955, and which those Forces may release during the period from May 5, 1957, up to and including December 31, 1957, or the period from May 5, 1957, until the entry into force of the arrangements now being negotiated to supplement the Agreement between the Parties to the North Atlantic Treaty regarding the Status of their Forces¹ (hereinafter referred to as the "supplementary Status of Forces arrangements"), whichever is the shorter, shall be met as to one half by the United Kingdom and one half by the Federal Republic. Such claims shall continue to be determined by the German authorities.

(c) Should the supplementary Status of Forces arrangements not have entered into force by December 31, 1957, the Federal Republic and the United Kingdom shall negotiate arrangements in continuation of those at sub-paragraph (b) above for a further period to be determined.

(d) The arrangements at sub-paragraphs (a) to (c) above shall be without prejudice to the legal position of the parties to the Finance Convention or to the negotiations on the supplementary Status of Forces arrangements.

If the above arrangements are acceptable to the Government of the United Kingdom, I have the honour to propose that this Note and your reply in that sense shall form an integral part of the Agreement constituted by the Exchange of Notes between the two Governments referred to in the preamble to this Note.

Please accept, etc.

V. BRENTANO

IV

Her Majesty's Ambassador at Bonn to the Federal German Minister for Foreign Affairs

BRITISH EMBASSY

Bonn, June 7, 1957

Your Excellency,

I have the honour to acknowledge receipt of your Note of June 7, 1957, which, in agreed translation, reads as follows :

[See note III]

¹ United Nations, *Treaty Series*, Vol. 199, p. 67; Vol. 200, p. 340; Vol. 260, p. 452, and Vol. 286, p. 380.

I have to inform you that the Government of the United Kingdom accept the arrangements proposed in your Note under reference and agree that your Note and this reply shall form an integral part of the Agreement constituted by the Exchange of Notes between the two Governments referred to in the preamble to your Note.

I have, etc.

Christopher STEEL

V

The Federal German Minister for Foreign Affairs to Her Majesty's Ambassador at Bonn

[GERMAN TEXT — TEXTE ALLEMAND]

Bonn, den 7. Juni 1957

Exzellenz,

Unter Bezugnahme auf den heute zwischen den Regierungen des Vereinigten Königreichs und der Bundesrepublik im Hinblick auf Artikel 3 des Nordatlantik-Vertrages ausgetauschten Notenwechsel, in dem Bestreben nach weiterer Vertiefung der wirtschaftlichen Zusammenarbeit unserer beiden Länder und mit Rücksicht auf die Empfehlungen, die in dem am 16. November 1956 von einer Minister-Arbeitsgruppe dem Rat für die Europäische Wirtschaftliche Zusammenarbeit vorgelegten Bericht enthalten sind, beehre ich mich, Ihnen mitzuteilen, dass mit der Bank deutscher Länder Einverständnis über folgendes erzielt worden ist :

1. Die Bank deutscher Länder wird ein Konto in transferierbaren Pfunden bei der Bank von England eröffnen und auf dieses Konto den Betrag von 75 Mio Pfund übertragen.

Das Konto wird Übereinstimmung mit der zwischen der Bank deutscher Länder und der Bank von England getroffenen Vereinbarung zur Erfüllung künftiger Transferverpflichtungen der Regierung der Bundesrepublik Deutschland gegenüber dem Vereinigten Königreich benutzt werden.

Die Bedingungen für die Anlage und die Verwendung des Kontos werden zwischen der Bank deutscher Länder und der Bank von England vereinbart werden.

Der Saldo des Kontos wird nicht in die monatlichen Meldungen, die dem Agenten der Europäischen Zahlungsunion zu machen sind, aufgenommen werden.

2. Das von der Bank deutscher Länder bei der Bank von England in transferierbaren Pfunden am 14. September 1956 errichtete „ Rüstungskonto “

wird auf der gegenwärtigen Grundlage auf die Dauer von drei weiteren Monaten ab 13. März 1957 fortgeführt werden.

Nach Ablauf dieser drei Monate wird die Bank deutscher Länder das Konto auf der gleichen Grundlage weitere drei Monate fortführen, wenn es von englischer Seite gewünscht wird.

Die Bank deutscher Länder wird auf dieses Konto weitere 10 Mio Pfund überweisen.

Ich benutze diese Gelegenheit zu bestätigen, dass es die Absicht der Bundesregierung bleibt, wesentliche Aufträge für die Versorgung mit Waffen und Rüstungsmaterial nach dem Vereinigten Königreich zu vergeben.

3. Die nach Absatz 1 zu leistende Zahlung wird nach Abschluss der hierzu auf deutscher Seite erforderlichen gesetzgeberischen Massnahmen, die die Bundesregierung mit tunlichster Beschleunigung einleiten wird, fällig.

Die nach Absatz 2 zu leistende Zahlung erfolgt unverzüglich.

4. Diese Regelung tritt mit dem heutigen Tage in Kraft.

Genehmigen Sie, etc.

V. BRENTANO

[TRANSLATION¹ — TRADUCTION²]

Bonn, June 7, 1957

Excellency,

With reference to the Exchange of Notes which has taken place between the Governments of the Federal Republic of Germany and the United Kingdom of Great Britain and Northern Ireland in the light of Article 3 of the North Atlantic Treaty, in an endeavour further to strengthen the economic co-operation between the two countries and in consideration of the recommendations contained in a report dated November 16, 1956, submitted by a Ministerial Working Party to the Council of the Organization for European Economic Co-operation, I have the honour to inform you that agreement has been reached with the Bank deutscher Länder on the following :

1. The Bank deutscher Länder will open a transferable sterling account at the Bank of England and will transfer to that account the sum of £75 million. The account shall be used to meet future transfer obligations of the Federal Government to the United Kingdom in accordance with arrangements made between the Bank deutscher Länder and the Bank of England. The conditions of establishment and use of the account shall be agreed between the Bank

¹ Translation by the Government of the United Kingdom.

² Traduction du Gouvernement du Royaume-Uni.

deutscher Länder and the Bank of England. The balance on the account will not be included in the monthly returns to be made to the Agent of the European Payments Union.

2. The transferable sterling arms purchase account opened at the Bank of England by the Bank deutscher Länder on September 14, 1956, will be continued on the existing basis for a further three months from March 13, 1957.

After the expiry of these three months the Bank deutscher Länder will continue the account on the same basis for a further three months if so desired on the United Kingdom side.

The Bank deutscher Länder will transfer a further £10 million to this account.

I take this opportunity of confirming that it remains the intention of the Federal Government to place substantial orders in the United Kingdom for the supply of arms and armament materials.

3. The payment to be made under 1 will become due after completion of the legislative measures which are necessary on the German side and which the Federal Government will initiate with all possible speed.

The payment to be made under 2 will be made without delay.

4. These arrangements shall enter into force with effect from to-day's date.

Please accept, etc.

V. BRENTANO

VI

Her Majesty's Ambassador at Bonn to the Federal German Minister for Foreign Affairs

BRITISH EMBASSY

Bonn, June 7, 1957

Your Excellency,

I am glad to welcome on behalf of the Government of the United Kingdom the measures of economic and financial co-operation referred to in your letter of June 7, 1957, which, in agreed translation, reads as follows :

[*See note V*]

I have, etc.

Christopher STEEL