

No. 10147

---

**UNITED STATES OF AMERICA  
and  
SPAIN**

**Exchange of notes constituting an agreement regarding a  
gift of facilities for producing potable water. Madrid,  
25 June 1968**

*Authentic texts : English and Spanish.*

*Registered by the United States of America on 5 January 1970.*

---

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

**Échange de notes constituant un accord concernant le don  
d'installations pour la production d'eau potable. Madrid,  
25 juin 1968**

*Textes authentiques : anglais et espagnol.*

*Enregistré par les États-Unis d'Amérique le 5 janvier 1970.*

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup>  
BETWEEN THE UNITED STATES OF AMERICA AND  
SPAIN REGARDING A GIFT OF FACILITIES FOR PRO-  
DUCING POTABLE WATER

I

*The American Chargé d'Affaires ad interim to the Minister  
of Foreign Affairs of Spain*

No. 1073

Madrid, June 25, 1968

Excellency :

I have the honor, on behalf of the people and the Government of the United States of America, to offer to the people and the Government of Spain a gift of facilities for producing potable water to supply the needs of the people of the towns of Palomares and Villaricos (Almería).

This gift is offered as a mark of appreciation and admiration of the spirit of helpfulness and compassion displayed by the people in and near Palomares on the occasion of the tragic aviation accident in which seven United States Airmen lost their lives in the line of duty on January 17, 1966. My Government wishes in particular to express deep gratitude for the selfless efforts made by residents of this area to rescue survivors of the accident on land and sea.

It is understood that the Spanish Government wishes at the same time to finance the construction of additional capacity in the proposed water desalting plant and appropriate conduction and distribution systems to supply fresh water to other nearby communities in addition to those of Palomares and Villaricos

To accomplish these purposes, my Government proposes to your Excellency's Government the following arrangements :

1. The United States Government gift will total \$150,000 U.S. currency of which \$105,000 will be considered as providing for the U.S. share of the desalting plant and \$45,000 will be considered as providing for the conduction and distribution facilities for Palomares and Villaricos. The Spanish Government will provide funds which will be considered to cover its share of the desalting plant, the cost of Spanish labor, materials, and services for the work referred to in Paragraph 3 B below, and the remaining costs of the conduction and distribution systems which will supply, in addition to Palomares and Villaricos, other communities, possibly Vera, Garrucha and Mojacar.

2. To avoid unnecessary transfer of funds, actual payments will be made as follows: the entire United States Government gift of \$150,000 U.S. currency will be applied

<sup>1</sup> Came into force on 25 June 1968, the date of the note in reply, in accordance with the provisions of the said notes.

toward the desalting plant contract mentioned in Paragraph 3; the Spanish Government will completely finance the conduction and distribution system mentioned in Paragraph 4; and the Spanish Government will transfer funds to the United States Government by means of a letter of credit, or other mutually agreeable means, in the amount of the difference between the total amount of the desalting plant contract and the United States Government gift of \$150,000 prior to the signing of that contract. This transfer of funds will be in U.S. dollars except as provided in Paragraph 3, B below. By this arrangement of payments, the Government of Spain pays for the construction of the storage, conduction and distribution facilities for Palomares and Villaricos considered to cost \$45,000 and the United States Government increases its payment toward the desalting plant contract by \$45,000 to a total of \$150,000.

3. The United States Government will contract with a United States firm to manufacture and install a U.S.-made desalting plant after consultation with Spanish Government officials regarding the terms of the contract. The contractor, who should have a proven record of successful experience in the manufacture and installation of desalting plants of appropriate nature, will be responsible for:

- A. The installation at an agreed site in the township of Palomares of a vapor compression type desalting facility which will reliably produce at least 70,000 U.S. gallons of desalted water per day.
- B. The installation of the foundations and appropriate shelter for the desalting plant and associated equipment and the seawater intake and outfall facilities. Costs of Spanish labor, material and services used by the contractor in this element of the construction will be paid in pesetas from the Government of Spain's contribution to the project.
- C. Connection of the plant to the product water pipe and electric power service line at the site which will be provided by the Spanish Government. The product water from the plant will be at an agreed pressure, sufficient to fill the nearby storage facility provided by the Spanish Government.
- D. The initial operation of the plant for thirty days, excluding any prior test period, during which time the contractor will also provide for the appropriate training in operation and maintenance of the plant to individuals selected by the Spanish Government as operation and maintenance personnel for the plant.

At the end of the initial operation period, and after the agency of the United States Government responsible for the procurement of the plant is satisfied that the terms of the contract have been fulfilled, full title to and responsibility for the plant would be transferred to the agency designated by the Spanish Government.

- E. The United States Government will undertake to provide to the agency of the Government of Spain to which title and responsibility for the finished plant will be transferred, reasonable opportunity to consult with the responsible United States Government agency and the contractor during design and construction.

4. The Spanish Government will arrange for the design and construction of the entire potable water conduction and distribution system including adequate storage capacity from the desalting plant to the communities of Palomares, Villaricos and other communities, possibly Vera, Garrucha and Mojacar. The system will include at least one distribution point conveniently placed in each community. Because of its interest in the

distribution of water to Palomares and Villaricos, the United States Government will be provided an opportunity to examine the design of the conduction and distribution system prior to its construction.

5. The Spanish Government will take the necessary measures to provide, without cost to the United States Government, the land, rights of way, and other property rights needed for installation and operation of the desalting plant, the conduction and distribution system and storage facilities. The Spanish Government will grant full exemption from all Spanish taxes and duties upon the importation and installation of equipment and materials for the plant and the desalting plant contractor personnel and their personal effects while working on the contract.

6. The Spanish Government will be responsible or will delegate responsibility to a designated agency, public or private, for receipt, operation and maintenance of the plant and water supply system at no further cost to the United States Government. The Spanish Government will give assurances that, in the continuing operation of the water desalting plant and the distribution facilities, the people of the communities of Palomares and Villaricos will receive fresh water in quantities which will at least satisfy the requirements for fresh water for domestic use in those communities, and should additional quantities of fresh water be available, that the people of the communities of Palomares and Villaricos will have available to them amounts of water, on a per capita basis, not less than the amounts on a per capita basis available to any of the other communities served by the desalting plant.

7. The Spanish Government and the United States Government, in publicly describing the jointly financed desalting and water supply system, will describe the participation of the United States Government as having the special purpose of providing potable water to the people of the communities of Palomares and Villaricos for the reasons set forth in the first two paragraphs of this note.

8. Further communications covering the technical details of this joint project will be between the designated agencies of the two Governments.

If the foregoing proposals meet with your approval, I have the honor to propose that this Note and your reply to that effect shall constitute an agreement between our two Governments which shall enter into force on the date of your reply.

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

William W. WALKER  
Chargé d'Affaires ad interim

His Excellency Fernando María Castiella y Maíz  
Minister of Foreign Affairs  
Madrid