

No. 12428

**UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
and
FRANCE**

**Exchange of notes constituting an agreement concerning
further negotiations on the Channel Tunnel Project.
Paris, 20 October 1972**

Authentic texts: English and French.

*Registered by the United Kingdom of Great Britain and Northern Ireland on
11 April 1973.*

**ROYAUME-UNI DE GRANDE-BRETAGNE
ET D'IRLANDE DU NORD
et
FRANCE**

**Échange de notes constituant un accord concernant de nou-
velles négociations relatives au projet de tunnel sous la
Manche. Paris, 20 octobre 1972**

Textes authentiques : anglais et français.

*Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le
11 avril 1973.*

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE FRENCH REPUBLIC CONCERNING FURTHER NEGOTIATIONS ON THE CHANNEL TUNNEL PROJECT

ÉCHANGE DE NOTES CONSTITUANT UN ACCORD¹ ENTRE LE GOUVERNEMENT DU ROYAUME-UNI DE GRANDE-BRETAGNE ET D'IRLANDE DU NORD ET LE GOUVERNEMENT DE LA RÉPUBLIQUE FRANÇAISE CONCERNANT DE NOUVELLES NÉGOCIATIONS RELATIVES AU PROJET DE TUNNEL SOUS LA MANCHE

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Her Majesty's Ambassador at Paris to the Minister of Foreign Affairs of France

L'Ambassadeur de Sa Majesté britannique à Paris au Ministre des affaires étrangères de France

BRITISH EMBASSY
PARIS

Monsieur le Ministre,

20 October, 1972

I have the honour to refer to the exchange of notes of 22 September 1971² between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the French Republic (hereinafter referred to collectively as "the Governments") concerning the Channel Tunnel project. Discussions have recently been held between the Governments on the one hand and, on the other hand, the members of the private group (hereinafter referred to collectively as "the Group") and the British Channel Tunnel Company Limited and the Société française du tunnel sous la Manche (hereinafter referred to collectively as "the Companies"). The Governments have today entered into parallel agreements (hereinafter referred to as "Agreements No. 1" concerning, first, final studies relating to the construction of a rail tunnel under the Channel and connected problems and, second, outline arrangements connected with the possible construction and operation of such a tunnel. The Agreements No. 1 take the place of the Preliminary Agreements envisaged in the exchange of notes of 22 September 1971.

In the light of the foregoing, the Government of the United Kingdom proposes that:

- (a) in accordance with Agreements No. 1, the Governments shall now proceed jointly to negotiate parallel agreements (hereinafter referred to as "Agreements No. 2") with the Group and the Companies with a view to signature of Agreements No. 2 should it be decided to proceed to construction of such a tunnel.
- (b) the Governments shall forthwith and without waiting for a conclusion of Agreements No. 2 take all necessary steps to ensure co-ordination between them and to deal with

¹ Came into force on 20 October 1972, the date of the note in reply, in accordance with the provisions of the said notes.

² United Nations, *Treaty Series*, vol. 817, p. 195.

¹ Entré en vigueur le 20 octobre 1972, date de la note de réponse, conformément aux dispositions desdites notes.

the problems which may arise, including the establishment of procedures and the setting up of suitable machinery.

The Government of the United Kingdom further proposes that:

- (a) in all cases of abandonment where Government Guaranteed Loans [fail] to be reimbursed or taken on charge or other payments [fail] to be made jointly to the Companies under Agreements No. 1, each Government shall, subject to the special arrangements contained in paragraphs 2.3.4 and 2.3.5 (ii) of Agreements No. 1, bear one half of the total charge;
- (b) the following provisions shall apply in the case of the abandonment of the project by one or both of the two Governments:
 - (i) If, for any reason whatever, Agreements No. 2 are not signed, irrespective of which Government may have taken the initiative for withdrawal, each Government shall, subject to the special arrangements contained in paragraphs 2.3.4 and 2.3.5 (ii) of Agreements No. 1, bear one half of the cost of the reimbursement of sums due to the Companies and each Government shall bear the cost of all other expenditure in which it is or has been involved by virtue of or in connection with the said Agreements No. 1.

However, any such reimbursement which is to be borne equally by the two Governments shall not include any additional element intended to take specific account of taxes on this payment.
 - (ii) Regardless of the circumstances in which an abandonment may have come about, neither Government may make any claim against the other, nor seek any indemnity from it, save as may be needed to give effect to subparagraphs (a) and (b) (i) of this paragraph.
 - (iii) The use and disposal of the rights and assets of whatever kind which may be vested by the Companies in the two Governments or either of them, by virtue of the making of the said reimbursement, shall be regulated by special arrangements between the two Governments. Each Government undertakes that, insofar as it may settle directly with the Company of its own nationality the consequences of any abandonment by either or both of the Governments, it shall acquire all rights and assets of that Company relating to the project (including any claims to future preferential rights in the projects).
- (c) On the conclusion of Agreements No. 2, the two Governments shall make special provision for the procedure to be followed in connection with, and the consequences of, any withdrawal which may occur for any reason whatever, including force majeure.

If the foregoing proposals are acceptable to the Government of the French Republic, I have the honour to propose to you that this note and Your Excellency's reply in the same terms shall constitute an agreement between the two Governments which shall enter into force on the date of Your Excellency's reply.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration.

CHRISTOPHER SOAMES

[TRANSLATION¹ — TRADUCTION²]

Paris, 20 October, 1972

Monsieur l'Ambassadeur,

I have the honour to acknowledge receipt of Your Excellency's note of today's date, which in translation reads as follows:

[*See note I*]

I have the honour to confirm that the Government of the French Republic agrees to these proposals.

Please accept, Monsieur l'Ambassadeur, the assurance of my high consideration.

MAURICE SCHUMANN

¹ Translation supplied by the Government of the United Kingdom.

² Traduction fournie par le Gouvernement du Royaume-Uni.