

No. 19922

**UNITED STATES OF AMERICA
and
ISRAEL**

Memorandum of Agreement concerning the principles governing mutual co-operation in research and development, scientist and engineer exchange, and procurement and logistic support of selected defence equipment (with annexes and attachment). Signed on 19 March 1979

Authentic text: English.

Registered by the United States of America on 10 June 1981.

**ÉTATS-UNIS D'AMÉRIQUE
et
ISRAËL**

Mémorandum d'accord relatif aux principes régissant leur coopération en matière de recherche-développement, d'échange de scientifiques et d'ingénieurs, d'achats et d'appui logistique en relation avec certains matériels de défense (avec annexes et pièce jointe). Signé le 19 mars 1979

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 10 juin 1981.

MEMORANDUM OF AGREEMENT¹ BETWEEN THE GOVERNMENT OF ISRAEL AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA CONCERNING THE PRINCIPLES GOVERNING MUTUAL COOPERATION IN RESEARCH AND DEVELOPMENT, SCIENTIST AND ENGINEER EXCHANGE, AND PROCUREMENT AND LOGISTIC SUPPORT OF SELECTED DEFENSE EQUIPMENT

Preamble

The Government of the United States of America and the Government of Israel, hereinafter referred to as the Governments,

Noting previous agreements on Data Exchange (signed on 22 December 1970) and the Production in Israel of U.S. Designed Defense Equipment (signed on 1 November 1971), and

Intending to increase their respective defense capabilities through more efficient cooperation in the field of research and development, in order to:

- Promote the cost-effective and rational use of funds allocated to defense to the extent permitted by their national laws and policies, and
- Mutually benefit from selected research and development programs which satisfy each nation's defense needs in a cost effective manner, and

Noting that Israel will continue to purchase large quantities of defense equipment from the United States and desiring to ameliorate the ensuing imbalance in defense trade between the two countries by affording Israeli sources improved opportunities to compete for agreed upon procurements of the U.S. Department of Defense (DoD),

Have entered into this Memorandum of Agreement in order to achieve the above aims.

This Memorandum of Agreement (MOA) sets out the guiding principles governing mutual cooperation in conventional defense equipment research and development, and procurement and logistic support of agreed upon defense supplies and services.

Article I. PRINCIPLES GOVERNING RECIPROCAL DEFENSE COOPERATION

1. The Governments intend to facilitate the accomplishment of the above-stated aims through cooperation in the research and development areas, and data exchange and scientist-engineer exchange programs, all as listed in Annex A hereto; and by affording each other's national sources improved opportunities to offer products and services identified in Annex B hereto. Items may be added to these annexes by agreement of the Governments. Items may be dropped from these annexes by either Government as its national policies require.

2. Both Governments, in the cases of purchases directly in support of the programs listed in Annex "A" and in the case of the items and services listed

¹ Came into force on 19 March 1979 by signature.

in Annex "B", will accord the following treatment to offers of services to be performed or supplies to be produced, in the other country:

- a. These offers will be evaluated without applying price differentials resulting from Buy National laws and regulations.
- b. To the extent permitted by law and regulation, these offers will be evaluated without consideration of the cost of duties and provisions will be made for duty-free entry certificates and related documentation.
- c. Full consideration will be given to all qualified industrial and/or governmental sources of the other country for items or services listed in Annexes A and B consistent with the policies and criteria of the cognizant purchasing agencies, it being understood that such offers will be required to satisfy requirements of the purchasing organization for performance, quality, delivery and costs.
- d. The requirements of each Government's laws and regulations relating to purchases of property and services (including the requirements for obtaining competition for such purchases) shall be applicable to the implementation of this agreement.

3. Both Governments will provide appropriate policy guidance and administrative procedures within their respective defense procurement organizations to facilitate achievement of improved defense cooperation. Each Government will also be responsible for calling to the attention of the relevant industries within its country the basic understanding of this Memorandum of Agreement, together with appropriate implementing guidance.

4. Technical information, including Technical Data Packages (TDPs), furnished to the other Government or to persons in the other country for the purpose of offering or bidding on, or performing a defense contract shall not be used for any other purpose without the prior agreement of the originating Government as well as the prior agreement of those owning or controlling proprietary rights in such technical information. Each Government will ensure that full protection will be given by its officers, agents, and contractors to such proprietary, or to any privileged, protected or classified data and information they contain. Each Government will also undertake its best efforts to ensure compliance with the foregoing provisions on the part of other persons in its country. In no event shall such technical information or TDPs or products derived therefrom be transferred to any third country or any other third part transferred without the prior written consent of the originating Government.

5. Both Governments will undertake their best efforts to assist in negotiating licenses, royalties, and technical information exchanges with their respective industries, when the items in Annexes A and B require such efforts. Both Governments will also facilitate the necessary export licenses required for the submission of bids or proposals or otherwise required for the performance of Annexes A and B.

6. The transfer to third countries of material or technical information and of articles derived therefrom generated from the mutual cooperative programs included in this MOA is subject to case-by-case advance agreement of the originating Government.

7. Arrangements and procedures will be established concerning follow-on logistic support for items of defense equipment covered by this Memorandum

of Agreement. Both Governments will make their defense logistic systems and resources available for this purpose as required and mutually agreed.

Article II. IMPLEMENTING PROCEDURES

A joint U.S. DoD-Israel MOD committee shall be established to prepare and update the annexes and attachment hereto for approval by the appropriate authorities of each Government and to periodically review the progress of implementation. The Under Secretary of Defense for Research and Engineering, in coordination with the Assistant Secretary of Defense for International Security Affairs, the Assistant Secretary of Defense for Manpower, Reserve Affairs and Logistics, and other appropriate Department of Defense and State officials, will be responsible in the U.S. Government for the implementation of this MOA. The Director General, Israel Ministry of Defense will be the responsible counterpart authority for the Government of Israel. Other duties to be assigned this committee and the frequency of their meetings shall be further defined in Attachment 1.

Article III. SECURITY

1. To the extent that any items, plans, specifications or information furnished in connection with the specific implementation of this MOA are classified by either Government for security purposes, the other Government shall maintain a similar classification and employ all measures necessary to preserve such security equivalent to those measures employed by the classifying Government throughout the period during which the classifying Government may maintain such classifications.

2. The operating procedures for the implementation of the General Security Information Agreement, dated 25 March 1963, between the Governments apply to activities under this Memorandum of Agreement.

Article IV. DURATION

1. This MOA will remain in effect for a five-year period following its signing and will be extended for successive five-year periods, if at the end of each five-year interval the Governments mutually agree to such an extension.

2. If, however, either Government considers it necessary for compelling national reasons to terminate its participation under this MOA before the end of the five-year period, or any extension thereof, written notification of its intention will be given to the other Government six months in advance of the effective date of termination. Such notification of intent shall become a matter of immediate consultation with the other Government to enable the Governments fully to evaluate the consequences of such termination and, in the spirit of cooperation, to take such actions as necessary to alleviate problems that may result from the termination. In this connection, although the MOA may be terminated by the Parties, any contract entered into consistent with the terms of this MOA shall continue in effect, unless the contract is terminated in accordance with its own terms. Moreover, Article I, Sections 4 and 6 and Article III of this MOA will

continue in full force and effect after, and notwithstanding, the expiration or termination of this MOA.

For the Government of Israel:

The Minister of Defense,

[Signed — Signé]¹

Date: 19 March 1979

For the United States Government:

The Secretary of Defense,

[Signed — Signé]²

Date: 19 March 1979

ANNEX A

LISTING OF COOPERATIVE R AND D EFFORTS

I. *Development Data Exchange Program*

General revitalization of existing annexes to improve exchange of development data with specific emphasis in the following areas:

(To be jointly determined by both Governments)

II. *Complementary/Competitive Development Programs*

(To be jointly determined by both Governments. "Competitive Development Programs" refers to programs to be conducted in one of the countries addressing defense equipment needs that are the subject of development work in the other country with the objective of affording an alternate means for satisfying such needs.)

III. *Scientist-Engineer Exchange Program*

(To be jointly determined by both Governments)

ANNEX B

LISTING OF NON R AND D ITEMS OF EQUIPMENT AND SERVICES COVERED BY THIS MOA

(To be jointly determined by both Governments)

ATTACHMENT I

Membership, terms of reference for the joint U.S. DoD-Israel MOD Committee, designated points of contact, and arrangements concerning implementation of the MOA

¹ Signed by E. Weizman — Signé par E. Weizman.

² Signed by Harold Brown — Signé par Harold Brown.