

UNITED STATES



Treaty Series No. 47 (1957)

Exchange of Notes

between the Government of the
United Kingdom of Great Britain and Northern Ireland
and the Government of the United States of America

on the Disposal of Surplus United States Mutual Defence Assistance Programme Equipment

London, May 10-13, 1957

*Presented by the Secretary of State for Foreign Affairs to Parliament
by Command of Her Majesty
June 1957*

LONDON

HER MAJESTY'S STATIONERY OFFICE

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Cmd. 198

EXCHANGE OF NOTES BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA ON THE DISPOSAL OF SURPLUS UNITED STATES MUTUAL DEFENCE ASSISTANCE PROGRAMME EQUIPMENT

London, May 10-13, 1957

No. 1

The United States Ambassador at London to the Secretary of State for Foreign Affairs

London,

Sir,

May 10, 1957.

I have the honour to refer to paragraph (4) of the Exchange of Notes between our two Governments dated January 8, 1952, on United States economic and military aid,⁽¹⁾ and to propose on behalf of the Government of the United States of America the following arrangements under the Mutual Defense Assistance Agreement between the "Government" of the United Kingdom of Great Britain and Northern Ireland and the Government of the United States of America dated January 27, 1950,⁽²⁾ (hereinafter referred to as the "Agreement"), respecting the disposition of equipment and materials furnished by the United States under the Agreement or under the Mutual Defense Assistance Act of 1949, and acts amendatory or supplementary thereto, found surplus to the needs of the armed forces of the United Kingdom for the purposes referred to in Article II of the Agreement.

I.—(a) The United Kingdom Government shall report to the United States Military Assistance Advisory Group all separately identifiable equipment and components furnished by the United States Government under the Mutual Defense Assistance Act of 1949, and acts amendatory or supplementary thereto, and no longer required by the United Kingdom Government for the purposes referred to in Article II of the Agreement. It is recognized that equipment or components which are incorporated in United Kingdom equipment or which have been consumed indiscriminately with similar United Kingdom equipment or components will not normally be separately identifiable.

When items which are treated as fungible materials under Annex B of the Agreement are no longer required by the United Kingdom Government for the purposes referred to in Article II of the Agreement, the Government of the United Kingdom will report as surplus such portion of the total quantity of such items as it is administratively feasible to determine as having been originally transferred under the Agreement.

(b) Without prejudice to the rights of the United States Government respecting the recapture of certain Lend-Lease articles or the granting or withholding of prior consent to the re-transfer of Lend-Lease articles to third Governments for military use as provided for in Agreements IV and V annexed to the Joint Memorandum regarding Settlement for Lend-Lease Reciprocal Aid, Surplus War Property, and Claims, dated March 27, 1946⁽³⁾

(1) "Treaty Series No. 9 (1952)," Cmd. 8480.

(2) "Treaty Series No. 13 (1950)," Cmd. 7894.

(3) "Treaty Series No. 13 (1946)," Cmd. 6813.

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as modified by the Agreement of July 12, 1948,⁽⁴⁾ regarding Settlement of Lend-Lease and Reciprocal Aid, Accounts and Claims, Lend-Lease equipment held by the United Kingdom which contains identifiable components supplied under the Mutual Defense Assistance Act of 1949, and acts amendatory or supplementary thereto shall be treated by the United Kingdom Government for the purposes of the present Agreement as having been supplied under the latter legislation. The phrase "Lend-Lease equipment" as used in this sub-paragraph shall not be deemed to include components to which the provisions of paragraphs 6, 7 and 8 of the said Agreement IV do not apply by virtue of the provision of paragraph 9 of the said Agreement IV.

2. The United States Government shall, as soon as possible after the United Kingdom Government has given notification that it no longer requires for the purposes referred to in Article II of the Agreement any equipment or components referred to in paragraph 1, accept or refuse title to such equipment and components for transfer to any other Government or for such other disposition as may be made by the United States Government. If title is refused, notification of such refusal shall be given by the United States Government to the United Kingdom Government within a period which shall not normally exceed 180 days from the date of notification of the United States Government by the United Kingdom Government that the equipment or components are no longer required. If title is accepted, notification of such acceptance shall be given in sufficient time to enable the United States Government to accept delivery of such equipment or components in accordance with the provisions of paragraph 3 below within a period which shall not normally exceed the said 180 days. Should acceptance of delivery or a decision to refuse title within such a period of 180 days not be practicable, the United States Government shall consult with the United Kingdom Government in order to establish a schedule appropriate to the particular case.

3. Delivery of equipment and components by the United Kingdom in accordance with the provisions of paragraph 2 above shall be free alongside ship in case ocean shipment is required, or free on board inland carrier at a point designated by the Military Assistance Advisory Group when ocean shipping is not required, or, in the case of flight deliverable material, at such airfield as may be designated by the Military Assistance Advisory Group. Such point of delivery shall be near the location of such equipment and components at the time of acceptance by the United States Government.

4. In cases where the United States Government does not accept title to such equipment and components in accordance with the provisions of paragraph 2 above, the United Kingdom shall retain the title to such equipment and components subject as regards the right of disposal to the provisions of Article III and paragraph 1 of Article V of the Agreement.

5. Salvage and scrap arising from equipment and components furnished under the Agreement where separately identifiable shall be reported and disposed of as provided above in the case of separately identifiable equipment and components. In particular, it is recognized that salvage and scrap from equipment and components which have been incorporated in United Kingdom equipment or which have been consumed indiscriminately with similar United Kingdom equipment will not normally be identifiable. The United Kingdom Government, however, undertakes to apply to the United Kingdom Defense Program a volume of material corresponding to the volume of any non-identifiable scrap in which it has reason to believe that there might be an element of scrap arising from equipment and materials referred to in paragraph 1 above.

(4) "Treaty Series No. 63 (1948)," Cmd. 7515.

6. The two Governments will, at the request of either of them, consult on the administration or modification of these arrangements in the event of—

- (a) the cost of their continued application becoming disproportionate to the benefits obtained, or
- (b) their proving no longer adequate to achieve the objective set forth in paragraph (4) of the Exchange of Notes of January 8, 1952,
- (c) the arrangements not in practice working satisfactorily, or
- (d) the arrangements proving unnecessarily elaborate having regard to the volume of equipment still covered by them.

7. If the foregoing proposal is acceptable to the Government of the United Kingdom, I have the honour to suggest that the present Note and your Excellency's reply in that sense should be regarded as constituting an Agreement between the two Governments in this matter which shall enter into force on the date of your Excellency's Note in reply.

Accept, &c.

JOHN HAY WHITNEY.

No. 2

*The Secretary of State for Foreign Affairs to the United States Ambassador
at London*

Foreign Office, S.W. 1,

May 13, 1957.

Your Excellency,

I have the honour to acknowledge the receipt of your Excellency's Note of the 10th of May, 1957, which reads as follows:—

[As in No. 1.]

In reply, I have the honour to confirm to you that the provisions set forth in the said Note are acceptable to the Government of the United Kingdom and that they agree with your proposal that your Note and this reply constitute an Agreement between the two Governments on this subject, the Agreement to enter into force on the date of this Note.

I have, &c.

SELWYN LLOYD.

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