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SCIENCE AND  
TECHNOLOGY



Treaty Series No. 31 (1976)

## Agreement

concerning the Accession of the Government of  
the United Kingdom of Great Britain and  
Northern Ireland to the Convention of  
19 January 1967 as amended by the Protocol of  
6 July 1971 between the Government of the  
French Republic and the Government of the  
Federal Republic of Germany  
on the Construction and Operation  
of a Very High Flux Reactor

(with Articles of Convention as amended by the  
Protocol and Agreement)

Grenoble, 19 July 1974

[The Agreement entered into force on 7 January 1976]

*Presented to Parliament  
by the Secretary of State for Foreign and Commonwealth Affairs  
by Command of Her Majesty  
May 1976*

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## AGREEMENT

**between the Government of the United Kingdom of Great Britain and Northern Ireland, the Government of the French Republic and the Government of the Federal Republic of Germany concerning the Accession of the Government of the United Kingdom of Great Britain and Northern Ireland to the Convention of 19 January 1967 as amended by the Protocol of 6 July 1971 between the Government of the French Republic and the Government of the Federal Republic of Germany on the Construction and Operation of a Very High Flux Reactor**

The Government of the United Kingdom of Great Britain and Northern Ireland, the Government of the French Republic and the Government of the Federal Republic of Germany;

Considering the Convention of 19 January 1967 as amended by the Protocol of 6 July 1971 between the Government of the French Republic and the Government of the Federal Republic of Germany on the Construction and Operation of a Very High Flux Reactor;

Considering:

that the preamble to the Convention of 19 January 1967 as amended by the Protocol of 6 July 1971 expresses the desire that other European States should be able to participate in the research activities using very high fluxes of neutrons which the French Republic and the Federal Republic of Germany have jointly undertaken;

that the Convention of 19 January 1967 as amended by the Protocol of 6 July 1971 is, in accordance with paragraph 1 of Article 4, open to accession by third States;

that in accordance with paragraph 2 of Article 1 of the Convention of 19 January 1967 as amended by the Protocol of 6 July 1971, new associates may be admitted to the Institut Max von Laue-Paul Langevin, an association governed by French civil law ("société civile"), once the construction of the reactor, of its associated facilities and of its experimental installations have been completed;

that this construction was completed during the year 1972;

that important research work using high fluxes of neutrons has already been carried out in the United Kingdom of Great Britain and Northern Ireland;

that the Government of the United Kingdom has made a request to accede to the Convention of 19 January 1967 as amended by the Protocol of 6 July 1971;

that the Government of the French Republic and the Government of the Federal Republic of Germany are in favour of such accession;

that the Science Research Council has been associated *de facto* with the work of the Institut since 1 January 1973 in accordance with transitional arrangements;

that the Science Research Council has deposited a sum representing its contribution to the capital of the Institut and has made, in accordance with transitional arrangements, two payments of 11,500,000 French francs and 2,500,000 French francs respectively for 1973 and two payments of 12,178,500 French francs and 2,611,944 French francs respectively for 1974;

Have agreed as follows:

#### ARTICLE 1

1. The Government of the United Kingdom of Great Britain and Northern Ireland hereby accede to the Convention of 19 January 1967 between the Government of the French Republic and the Government of the Federal Republic of Germany on the Construction and Operation of a Very High Flux Reactor as amended by the Protocol of 6 July 1971, hereinafter referred to as "the Convention", copies of which are annexed hereto in the French and German languages as well as a text in the English language which shall be equally authentic.

2. The Science Research Council shall be admitted as an associate to the Institut Max von Laue-Paul Langevin, in addition to the Commissariat à l'Énergie Atomique, the Centre National de la Recherche Scientifique and the Gesellschaft für Kernforschung mbH.

#### ARTICLE 2

In compensation for the expenses incurred by the Government of the French Republic and the Government of the Federal Republic of Germany during the period of construction and commissioning of the reactor, the Government of the United Kingdom undertake to provide the Science Research Council with the necessary funds to allow the latter:

- (a) to pay, for the joint benefit of the French and German associates, 11,500,000 French francs on 1 January of every year from 1975 to 1982 inclusive; these annual payments will be in addition to the payment of 11,500,000 French francs already made for 1973 and the payment of 12,178,500 French francs already made for 1974. They will be revised to take account of changes in the price index for goods and services, excluding foodstuffs, for France as published by the Organisation for Economic Cooperation and Development in "Main Economic Indicators". The change in the index applicable to each payment shall be that occurring between July 1972 and the July of the year preceding the payment;
- (b) to pay, for the joint benefit of the French and German associates, a sum representing one-third of the assets acquired up to 31 December 1972 from the operating funds. A final payment on account of this sum will be made on 1 January 1975, taking account of the payment of 2,500,000 French francs already made for 1973 and the payment of 2,611,944 French francs already made for 1974.

### ARTICLE 3

The following articles of the Convention shall be modified as follows:

- (a) Article 1 of the Convention shall be abrogated and replaced by the following provisions:

“1. The operation of the reactor which is the subject of the present Convention shall be entrusted to an Association governed by French civil law (“société civile”) of which the associates shall be the Science Research Council, the Commissariat à l’Energie Atomique, the Centre National de la Recherche Scientifique and the Gesellschaft für Kernforschung mbH.

2. The Association, whose Statutes have been deposited with the Governments of the United Kingdom of Great Britain and Northern Ireland, the French Republic and the Federal Republic of Germany: shall be known as the Institut Max von Laue-Paul Langevin; shall have its seat at Grenoble; shall operate the very high flux reactor; shall undertake activities for peaceful ends only; shall have as its Director a distinguished scientist nominated by either the British or German associate; shall have English, French and German as its official and working languages.

Furthermore:

the British, French and German members of the Steering Committee of the Association may only be appointed or have their appointments terminated with the approval of their respective Governments;

any disputes arising between the associates shall be submitted to the Governments if no amicable settlement can be reached;

the associates shall seek the unanimous assent of the Governments to any amendment of the statutes.”

- (b) Article 2 of the Convention shall be abrogated and replaced by the following provisions:

“1. The Government of the United Kingdom, the Government of the French Republic and the Government of the Federal Republic of Germany undertake to make available to the British, French and German associates respectively an annual grant within the framework of the funds allocated under the relevant head in the budgets of the United Kingdom, of the French Republic and of the Federal Republic of Germany. The purpose of these annual grants shall be to cover the operating costs of the Institut. For the year 1973 these costs shall be limited in terms of net costs by a ceiling of 65,1 million French francs. Subsequently this ceiling shall be increased annually by 5% over that of the previous year.

2. The total amount of the grants mentioned above shall be made available as to 33% by the Government of the United Kingdom, 34%

by the Government of the French Republic and 33% by the Government of the Federal Republic of Germany. The amount of the grant made by each of the Governments shall take into account certain fiscal dues levied by each of the States in connection with the activities of the Association.

3. If the annual ceiling mentioned in paragraph 1 above proves insufficient to meet the needs of the Institut, the Governments shall consult each other after having obtained the opinion of the competent organs of the Association.”

- (c) The provisions of Article 3 of the Convention shall be amended as follows:

The words “of the other Contracting Party” shall be replaced by the words “of the other Contracting Parties”.

- (d) The provisions of paragraph 1 of Article 4 of the Convention shall be amended as follows:

The words “signatory Governments” shall be replaced by the words “three Governments” at both places where they appear.

The provisions of paragraph 2 of Article 4 of the Convention shall be amended as follows:

The words “two Governments” shall be replaced by the words “three Governments”.

- (e) The provisions of Article 5 of the Convention shall be amended as follows:

In paragraph 1 the words “two Governments” shall be replaced by “three Governments”.

Paragraphs 2, 3, 6, 7 and 8 shall be abrogated and replaced by the following provisions:

“2. If the Governments cannot reach agreement on the settlement of a dispute, each of the Governments concerned may submit the dispute for decision to an arbitral tribunal.

3. Each party to the dispute shall appoint an arbitrator; nevertheless, if the dispute is between one of the Governments and the other two, the latter shall choose one arbitrator in common. The arbitrators thus appointed shall choose a national of a third State to act as umpire and to assume the functions of Chairman of the arbitral tribunal, with a casting vote in the event of the votes of the arbitrators being equally divided. The arbitrators shall be appointed within two months from the date of the request for a settlement by means of arbitration, the Chairman within three months from that date.

6. The arbitral tribunal shall take its decisions on the basis of paragraph 1 of Article 38 of the Statute of the International Court of Justice.<sup>(1)</sup> Its decisions shall be binding.

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(1) Treaty Series No. 67 (1946), Cmd. 7015.

7. The tribunal shall determine its rules of procedure in accordance with Chapter III of Part IV of the Convention for the Pacific Settlement of International Disputes signed at The Hague on 18 October 1907.<sup>(2)</sup>

8. Each party to the dispute shall bear its own costs and, as the case may be, one-third or one-half of the costs of the arbitral proceedings.”

#### ARTICLE 4

Relations between the French and German Governments concerning questions arising from the construction of the very high flux reactor and its associated facilities, as well as their operation up to 31 December 1972, shall continue to be governed by the provisions of the Convention.

#### ARTICLE 5

If, while the present Agreement remains in force, the Governments of the United Kingdom of Great Britain and Northern Ireland, the French Republic and the Federal Republic of Germany decide unanimously that a new source of intense neutron beams shall be constructed for the purposes of their collaboration, this facility shall be built in the United Kingdom.

#### ARTICLE 6

Article 7 of the Convention of 19 January 1967 and Article III of the Protocol of 6 July 1971 shall be abrogated and replaced by the following provisions:

“The Convention shall remain in force until 31 December 1982. It shall be tacitly extended from year to year unless two years’ notice of termination has been given.”

#### ARTICLE 7

The present Agreement shall come into force<sup>(3)</sup> as soon as the three signatory Governments shall have notified each other that the necessary constitutional procedures have been completed. It shall remain in force for the same period as the Convention as modified by Article 6 above.

#### ARTICLE 8

The present Agreement shall also apply to Land Berlin, unless a declaration to the contrary is made by the Government of the Federal Republic of Germany to the Government of the United Kingdom of Great Britain and Northern Ireland and to the Government of the French Republic within three months from the date of entry into force of the present Agreement.

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<sup>(2)</sup> Treaty Series No. 6 (1971), Cmnd. 4575.

<sup>(3)</sup> The Agreement entered into force on 7 January 1976.

In witness whereof, the representatives of the three Governments, duly authorised to this effect, have signed the present Agreement and have hereto affixed their seals.

Done in triplicate at Grenoble this 19th day of July 1974 in the English, French and German languages, each text being equally authentic.

For the Government of the United Kingdom of Great Britain and Northern Ireland:

REG PRENTICE (L.S.)

For the Government of the French Republic:

MICHEL D'ORNANO (L.S.)

For the Government of the Federal Republic of Germany:

SIGISMUND FRHR. V. BRAUN

HANS MATTHÖFER

(L.S.)



## ANNEX

### CONVENTION

#### between the Government of the French Republic and the Government of the Federal Republic of Germany on the Construction and Operation of a Very High Flux Reactor

The Government of the French Republic and the Government of the Federal Republic of Germany;

Wishing to continue the implementation of the Franco-German Treaty of 22 January 1963,<sup>(\*)</sup> and particularly of the provisions relating to the development of scientific cooperation between the two countries;

Considering the value of the research work already carried out both in France and in the Federal Republic of Germany in the field of nuclear physics and of solid state physics;

Recognising that new facilities are necessary in Europe for the development of this research;

Desiring that other European States should be able to participate in the work which they propose to undertake jointly;

Have decided to promote for peaceful ends the construction and operation of a very high flux neutron reactor and have therefore agreed as follows:

#### ARTICLE 1

1. The construction and operation of the reactor which is the subject of the present Convention shall be entrusted to an association governed by French civil law ("société civile") of which the associates shall be on the one hand the Gesellschaft für Kernforschung mbH and on the other hand the Commissariat à l'Energie Atomique and the Centre National de la Recherche Scientifique.

2. The Association, whose Statutes have been deposited with the two Governments:

shall undertake activities for peaceful ends only;

shall be known as the "Institut Max von Laue-Paul Langevin";

shall have its seat at Grenoble;

shall have as its Director a distinguished German scientist;

shall have French and German as its working languages.

Furthermore:

the French and German members of the Steering Committee of the Association may only be appointed, or have their appointments terminated, with the approval of their respective Governments;

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(\*) Not published in Treaty Series.

any disputes arising between the associates shall be submitted to the Governments if no amicable settlement can be reached;

the associates shall seek the joint assent of the Governments to any amendment of the Statutes;

new associates may be admitted once the construction of the reactor, of its associated facilities and of its experimental installations have been completed.

## ARTICLE 2

1. The two Governments undertake to make available to the associates :

on the one hand a sum of 163 million French francs (132 million Deutschmarks) to cover the construction costs of the reactor;

on the other hand an annual grant of not more than 43 million French francs (35 million Deutschmarks) to cover operating costs.

2. Each Government shall contribute half of the cost specified in paragraph 1 above. However during the operational phase of the reactor, the commencement date of which shall be determined by the Steering Committee of the Association, 49% of the operating costs shall be borne by the Government of the Federal Republic of Germany and 51% by the Government of the French Republic. The amount of the contribution made by each of the Governments shall take into account certain fiscal dues levied by each of the States in connection with the establishment and activities of the Association.

3. If the costs are higher than the amounts stated in paragraph 1 above, the two Governments shall consult each other to decide how the joint construction and operation of the reactor shall be continued, after having obtained the opinion of the competent organs of the Association. The two Governments shall also consult each other if there is a change in the rates of exchange in force at the time the present Convention is concluded.

4. The two Governments shall ensure that the sums made available to the Association for the construction and operation of the reactor are used under the most favourable conditions, and shall take the necessary measures to this end.

## ARTICLE 3

Subject to the requirements of public order and security, each Government undertakes to facilitate the movement and residence of nationals of the other Contracting Party employed by or doing research for the Association.

## ARTICLE 4

1. The present Convention shall be open to accession by third States. Any accession shall require the consent of the signatory Governments. The conditions of accession shall be the subject of an agreement between the signatory Governments and the Government of the acceding State.

2. If the other Member States of the European Atomic Energy Community wish to accede to the present Convention, the two Governments will endeavour to place the activities of the Association in the framework of the research programme of this Community.

#### ARTICLE 5

1. Any dispute concerning the interpretation or application of the present Convention shall be settled by negotiations between the two Governments.

2. If the two Governments cannot reach agreement on the settlement of a dispute, either of them may submit the dispute for decision to an arbitral tribunal consisting of three members.

3. Each Contracting Party shall appoint an arbitrator within one month; the two arbitrators thus appointed shall, within the two months following the date of their appointment, choose a national of a third State to act as an umpire and to assume the functions of Chairman of the arbitral tribunal.

4. If the time limits specified in paragraph 3 are not observed and no other arrangement is made, each party may request the President of the Court of Justice of the European Communities to make the necessary appointments.

5. The arbitral tribunal shall take its decisions by a simple majority.

6. The arbitral tribunal shall take its decisions on the basis of paragraph 1 of Article 38 of the Rules of Procedure of the International Court of Justice. Its decisions shall be binding.

7. The tribunal shall determine its rules of procedure in accordance with Chapter III of the Hague Convention of 18 October 1907.

8. Each party to the dispute shall bear its own costs and half of the costs of the arbitral tribunal.

9. The provisions of the present Article, except those of paragraph 6 above, shall apply to any disputes which arise between the associates concerning the activities of the Association and which must be submitted to their Governments under Article 24 of the Statutes. The tribunal shall base its decisions on the rules of law applicable to the dispute under consideration.

#### ARTICLE 6

The present Convention shall also apply to Land Berlin, unless a declaration to the contrary is made by the Government of the Federal Republic of Germany to the Government of the French Republic within three months from the date of entry into force of the present Convention.

ARTICLE 7

1. The present Convention shall enter into force as soon as the two Governments have notified each other that the necessary constitutional procedures have been completed.

2. The present Convention is concluded for a period of 13 years. At the end of this period it shall be tacitly extended from year to year and may not be terminated except on one year's notice.

In witness whereof the representatives of the two Governments have signed the present Convention and have hereto affixed their seals.

Done in duplicate at Grenoble this 19th day of January 1967 in the French and German languages, both texts being equally authentic.

For the Government of the French Republic:

ALAIN PEYREFITTE

(L.S.)

*Minister with responsibility for Scientific Research  
and atomic and space questions*

For the Government of the Federal Republic of Germany:

G. STOLTENBERG

(L.S.)

*Federal Minister for Scientific Research*

**PROTOCOL**  
**to the Convention of 19 January 1967 between the Government of the**  
**French Republic and the Government of the Federal Republic of Germany**  
**on the Construction and Operation of a Very High Flux Reactor**

The Government of the French Republic and the Government of the Federal Republic of Germany;

Considering that the amounts specified in paragraph 1 of Article 2 of the Convention of 19 January 1967 to cover the cost of constructing the reactor and to cover operational costs must be adapted to actual requirements;

Considering the alterations in the rates of exchange of the French franc and the Deutschmark in 1969;

Considering that the allocation of orders as between the suppliers of the two countries for the construction of the reactor had led to an equal distribution before the alterations in the rates of exchange;

Have consulted each other in accordance with paragraph 3 of Article 2 of the Convention and have agreed as follows :

**ARTICLE 1**

Paragraphs 1 and 2 of Article 2 of the Convention shall be abrogated and replaced by the following provisions :

“ 1. The two Governments undertake to make available to the associates :

on the one hand 335 million French francs intended to cover the cost of establishing the reactor, the experimental installations and the operating costs of the Institut during the design and construction phase;

on the other hand an annual grant within the framework of the funds allocated under the relevant head in the budgets of the French Republic and the Federal Republic of Germany. The purpose of this annual grant shall be to cover the operating costs, which shall be limited by a ceiling of 53 million French francs for the first year of the normal operational phase, which shall be not earlier than 1972. This ceiling shall then be increased annually by 5% over that of the previous year.

2. The construction costs of the reactor itself, estimated at a maximum of 240 million French francs, shall be divided in such a way that each Government shall finance orders placed with suppliers in its own country. The same shall apply to subsequent increases in the cost of orders due to contractual price adjustment clauses or to unforeseen and unavoidable technical requirements. If as a result of these unforeseen technical requirements the total expenditure in one of the countries exceeds by 5% the total of the orders placed in that country at a given time, payment of the excess shall be shared equally and taken into consideration together

with subsequent orders for equipment, in order to ensure that orders as a whole are divided equally.

The cost of establishing the experimental installations and of the operation of the Institut during the design and construction phase shall be equally divided between the two Governments.

During the operational phase of the reactor, the date of commencement of which shall be determined by the Steering Committee of the Association, 51% of the operating costs shall be borne by the Government of the French Republic and 49% by the Government of the Federal Republic of Germany.

The amount of the contribution made by each Government shall take into account certain fiscal dues levied by each of the States in connection with the establishment and activities of the Association."

## ARTICLE 2

The present Protocol shall also apply to Land Berlin, unless a declaration to the contrary is made by the Government of the Federal Republic of Germany to the Government of the French Republic within three months from the date of entry into force of the present Protocol.

## ARTICLE 3

The present Protocol shall enter into force on the date of signature. It may be terminated only in conjunction with the Convention of 19 January 1967.

Done in duplicate at Bonn this 6th day of July 1971 in the French and German languages, both texts being equally authentic.

For the Government of the French Republic:

ORTOLI

*Minister for Industrial and Scientific Development*

For the Government of the Federal Republic of Germany:

LEUSSINK

*Federal Minister for Education and Science*

## EXCHANGE OF LETTERS ON FISCAL MATTERS

### No. 1

*The Minister for Scientific Research of the Federal Republic of Germany  
to the Secretary of State for Education and Science<sup>(\*)</sup>*

*Bad Godesberg,  
den 19. 7. 1974*

Herr Minister,

ich beehre mich, Ihnen im Namen der Regierung der Bundesrepublik Deutschland unter Bezugnahme auf das am 19. Juli 1974 durch unsere Regierungen unterzeichnete Übereinkommen über den Beitritt der Regierung des Vereinigten Königreichs von Grossbritannien und Nordirland zum Abkommen vom 19. Januar 1967 zwischen der Regierung der Bundesrepublik Deutschland und der Regierung der Französischen Republik über den Bau und den Betrieb eines Höchstflussreaktors in der durch das Zusatzabkommen vom 6. Juli 1971 geänderten Fassung folgendes vorzuschlagen:

1. Nach Artikel 2 Absatz 2 des Abkommens vom 19. Januar 1967 sind die in Absatz 1 jenes Artikels genannten Beträge unter Berücksichtigung der im Zusammenhang mit dem Betrieb der Gesellschaft erhobenen Steuern, Zölle und sonstigen Abgaben zu zahlen.

Es werden berücksichtigt:

die Steuern, Zölle und sonstigen Abgaben, welche die Gesellschaft aufgrund ihrer satzungsmässigen Tätigkeiten und Arbeiten schuldet, mit Ausnahme der Steuern und sonstigen Abgaben, welche zugunsten von Gebietskörperschaften, soweit es sich nicht um die Bundesrepublik Deutschland und ihre Länder, die Französische Republik oder um das Vereinigte Königreich von Grossbritannien und Nordirland handelt, erhoben werden, sowie der Steuern und sonstigen Abgaben, welche die Gesellschaft als Arbeitgeber zu entrichten hat;

die Steuern, Zölle und sonstigen Abgaben, welche auf Lieferungen und Leistungen an die Gesellschaft im Rahmen ihrer satzungsmässigen Tätigkeiten und Arbeiten zu entrichten sind, mit Ausnahme von Lieferungen und Leistungen, welche dem persönlichen Verbrauch des Gesellschaftspersonals dienen.

Die Anrechnung dieser Steuern, Zölle und sonstigen Abgaben erfolgt in der Weise, dass sich die für die Tätigkeit der Gesellschaft in Artikel 2 Absatz 1 des Abkommens vom 19. Januar 1967 vorgesehenen Beträge nicht vermindern. Die diesen Steuern, Zöllen und sonstigen Abgaben entsprechenden Beträge werden folglich dem deutschen Beitrag hinzugefügt, wenn sie von den deutschen Behörden erhoben wurden, dem britischen Beitrag,

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<sup>(\*)</sup> A letter in the same terms was addressed by the Government of the Federal Republic of Germany to the Government of the French Republic.

wenn sie von den britischen Behörden erhoben wurden, und dem französischen Beitrag, wenn sie von den französischen Behörden erhoben wurden.

2. Die Gesellschaft legt den drei Regierungen vor dem 30. Juni jeden Jahres genaue Angaben über die oben erwähnten Steuern, Zölle und sonstigen Abgaben vor, mit denen sie während des letzten abgeschlossenen Rechnungsjahres endgültig belastet worden ist. Diese Angaben müssen es ermöglichen, die Richtigkeit und den Betrag dieser Belastungen festzustellen. Die Einnahmen der Finanzbehörden jedes der drei Staaten sind getrennt anzugeben.

Diese Angaben und die entsprechenden Unterlagen werden binnen drei Monaten von einem Ausschuss geprüft, der aus Sachverständigen der drei Regierungen besteht. Dieser Ausschuss übernimmt oder veranlasst alle etwa für erforderlich erachteten Überprüfungen; zu diesem Zweck hat er Zugang zu allen hierfür benötigten Unterlagen und Rechnungsbelegen. Er prüft unter anderem die Fragen der Erstattung von Abgaben, die von jedem der Staaten bei der Ausfuhr erhoben werden. Der Ausschuss setzt die Regierungen von den Anpassungen in Kenntnis, die seines Erachtens nach Artikel 2 des Abkommens und nach Nummer 1 dieses Schreibens an den für das betreffende Rechnungsjahr geltenden Beteiligungen vorzunehmen sind.

3. Die Regierungen zahlen ihre finanziellen Beiträge an die Gesellschafter in ihrer Landeswährung.

4. Die Regierungen treffen im Rahmen ihrer Aussenhandels- und Devisenbestimmungen die erforderlichen Massnahmen für eine möglichst grosszügige Erteilung von Genehmigungen für die Durchführung der kommerziellen und finanziellen Transaktionen der Gesellschaft und der entsprechenden Zahlungen.

5. Werden im Rahmen der wissenschaftlichen Zusammenarbeit zwischen den drei Staaten unter dem Übereinkommen vom 19. Juli 1974 weitere gemeinsame Stellen errichtet, so erhalten sie eine steuerliche und finanzielle Rechtsstellung, die der durch die Bestimmungen der Nummern 1 bis 4 begründeten entspricht oder die gleiche Wirkung hat.

Einen gleichlautenden Brief sende ich an die Regierung der Französischen Republik.

Falls sich die Regierungen der Französischen Republik und des Vereinigten Königreichs von Grossbritannien und Nordirland mit den unter den Nummern 1 bis 5 enthaltenen Vorschlägen einverstanden erklären, schlage ich vor, dass diese beiden Schreiben und die entsprechenden Antwortschreiben eine Vereinbarung zwischen den drei Regierungen bilden sollen, die gleichzeitig mit dem im ersten Absatz dieses Briefes genannten Übereinkommen in Kraft tritt und für die gleiche Dauer in Kraft bleibt.

Genehmigen Sie, Herr Minister, die Versicherung meiner ausgezeichnetsten Hochachtung.

HANS MATTHÖFER



*Bad Godesberg,*

*19 July 1974.*

Sir,

I have the honour, on behalf of the Government of the Federal Republic of Germany, with reference to the Agreement signed on 19 July 1974 by our Governments concerning the accession of the Government of the United Kingdom of Great Britain and Northern Ireland to the Convention of 19 January 1967, as amended by the Protocol of 6 July 1971, between the Government of the Federal Republic of Germany and the Government of the French Republic on the Construction and Operation of a Very High Flux Reactor, to put forward the following proposals:

1. In accordance with paragraph 2 of Article 2 of the Convention of 19 January 1967, the amounts referred to in paragraph 1 of that Article must be paid taking into account the taxes, duties and other dues levied in connection with the operation of the Association.

For this purpose account shall be taken of:

the taxes, duties and other dues payable by the Association in respect of its activities and work as regulated by its Statutes, with the exception of on the one hand taxes and dues collected for the benefit of communities other than the Federal Republic of Germany and its Länder, the French Republic and the United Kingdom of Great Britain and Northern Ireland and on the other hand taxes and dues for which the Association is responsible as an employer;

the taxes, duties and other dues charged on supplies delivered and services rendered to the Association within the framework of its activities and work as regulated by its Statutes, with the exception of supplies and services intended for the personal consumption of the Association's employees.

These taxes, duties and other dues shall be taken into account in such a manner that the amounts envisaged for the operation of the Association in paragraph 1 of Article 2 of the Convention of 19 January 1967 shall not be reduced. The amounts corresponding to these taxes, duties and other dues shall therefore be added to the German contribution where they have been levied by the German authorities, to the British contribution where they have been levied by the British authorities and to the French contribution where they have been levied by the French authorities.

2. The Association shall submit to the three Governments before 30 June of each year precise information concerning the above-mentioned taxes, duties and dues which it finally had to bear during the last completed financial year. This information must be such as to allow the correctness and amount of these charges to be verified. The receipts of the financial authorities of each of the three States must be shown separately.

This information and the supporting documents shall be examined within three months by a committee composed of experts from the three Governments. This committee shall carry out, or arrange to have carried out, all verifications which are considered necessary and to this end shall have access

to all the necessary documents and accounting vouchers. It shall examine *inter alia* questions concerning the reimbursement of dues levied on exports by each of the States. The committee shall inform the Governments of those adjustments which, in its opinion, should be made to the contributions relating to the financial year under review pursuant to the provisions of Article 2 of the Convention and to those of paragraph 1 above.

3. The Governments shall pay their financial contributions to the associates in their respective legal currencies.

4. The Governments shall, within the framework of their regulations governing foreign trade and foreign exchange, take the measures necessary in order to ensure the most liberal possible granting of authorisations for carrying out the commercial and financial operations of the Association and for making the requisite payments.

5. If, within the framework of the scientific cooperation between the three countries, further facilities are jointly established pursuant to the Agreement of 19 July 1974, they shall receive fiscal and financial treatment corresponding to the provisions of paragraphs 1 to 4 of this letter or having the same effect.

I am addressing a letter in the same terms to the Government of the French Republic.

If the proposals contained in paragraphs 1 to 5 above are acceptable to the Governments of the United Kingdom and of the French Republic, I have the honour to suggest that the two letters and the replies to that effect shall constitute an agreement between the three Governments, which shall take effect on the date of entry into force of, and have the same duration as, the Agreement of 19 July 1974.

Accept, Sir, the assurance of my highest consideration.

HANS MATTHÖFER

No. 2

*The Secretary of State for Education and Science to the Minister for  
Scientific Research of the Federal Republic of Germany<sup>(9)</sup>*

*Grenoble.*

Sir,

19 July 1974.

I have the honour to refer to your letter of 19 July 1974 which in translation reads as follows:

[As in translation of No. 1]

In reply I have the honour to inform you that the Government of the United Kingdom of Great Britain and Northern Ireland accept the above proposals and agree that your letters addressed to the Governments of the United Kingdom and of the French Republic, this reply and the reply of the Government of the French Republic to the same effect shall constitute an agreement between the three Governments which shall take effect on the date of entry into force of, and have the same duration as, the Agreement of 19 July 1974.

I am sending a copy of this letter to the Government of the French Republic.

Please accept the assurance of my highest consideration.

REG PRENTICE

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<sup>(9)</sup> A reply in similar terms was addressed by the Government of the French Republic to the Government of the Federal Republic of Germany.

ARTICLES OF THE CONVENTION OF 19 JANUARY 1967  
ON THE CONSTRUCTION AND OPERATION OF A VERY  
HIGH FLUX REACTOR, AS AMENDED BY THE PROTOCOL  
OF 6 JULY 1971 AND THE AGREEMENT OF  
19 JULY 1974

ARTICLE 1

1. The operation of the reactor which is the subject of the present Convention shall be entrusted to an Association governed by French civil law ("société civile") of which the associates shall be the Science Research Council, the Commissariat à l'Énergie Atomique, the Centre National de la Recherche Scientifique and the Gesellschaft für Kernforschung mbH.

2. The Association, whose Statutes have been deposited with the Governments of the United Kingdom of Great Britain and Northern Ireland, the French Republic and the Federal Republic of Germany:

shall be known as the Institut Max von Laue-Paul Langevin;

shall have its seat at Grenoble;

shall operate the very high flux reactor;

shall undertake activities for peaceful ends only;

shall have as its Director a distinguished scientist nominated by either the British or German associate;

shall have English, French and German as its official and working languages.

Furthermore:

the British, French and German members of the Steering Committee of the Association may only be appointed or have their appointments terminated with the approval of their respective Governments;

any disputes arising between the associates shall be submitted to the Governments if no amicable settlement can be reached;

the associates shall seek the unanimous assent of the Governments to any amendment of the Statutes.

ARTICLE 2

1. The Government of the United Kingdom, the Government of the French Republic and the Government of the Federal Republic of Germany undertake to make available to the British, French and German associates respectively an annual grant within the framework of the funds allocated under the relevant head in the budgets of the United Kingdom, of the French Republic and of the Federal Republic of Germany. The purpose of these annual grants shall be to cover the operating costs of the Institut. For the year 1973 these costs shall be limited in terms of net costs by a ceiling of 65,1 million French francs. Subsequently this ceiling shall be increased annually by 5% over that of the previous year.

2. The total amount of the grants mentioned above shall be made available as to 33% by the Government of the United Kingdom, 34% by the Government of the French Republic and 33% by the Government of the Federal Republic of Germany. The amount of the grant made by each of the Governments shall take into account certain fiscal dues levied by each of the States in connection with the activities of the Association.

3. If the annual ceiling mentioned in paragraph 1 above proves insufficient to meet the needs of the Institut, the Governments shall consult each other after having obtained the opinion of the competent organs of the Association.

### ARTICLE 3

Subject to the requirements of public order and security, each Government undertakes to facilitate the movement and residence of nationals of the other Contracting Parties employed by or doing research for the Association.

### ARTICLE 4

1. The present Convention shall be open to accession by third States. Any accession shall require the consent of the three Governments. The conditions of accession shall be the subject of an agreement between the three Governments and the Government of the acceding State.

2. If the other Member States of the European Atomic Energy Community wish to accede to the present Convention, the three Governments will endeavour to place the activities of the Association in the framework of the research programme of this Community.

### ARTICLE 5

1. Any dispute concerning the interpretation or application of the present Convention shall be settled by negotiations between the three Governments.

2. If the Governments cannot reach agreement on the settlement of a dispute, each of the Governments concerned may submit the dispute for decision to an arbitral tribunal.

3. Each party to the dispute shall appoint an arbitrator; nevertheless, if the dispute is between one of the Governments and the other two, the latter shall choose one arbitrator in common. The arbitrators thus appointed shall choose a national of a third State to act as umpire and to assume the functions of Chairman of the arbitral tribunal, with a casting vote in the event of the votes of the arbitrators being equally divided. The arbitrators shall be appointed within two months from the date of the request for a settlement by means of arbitration, the Chairman within three months from that date.

4. If the time limits specified in paragraph 3 are not observed and no other arrangement is made, each party may request the President of the Court of Justice of the European Communities to make the necessary appointments.

5. The arbitral tribunal shall take its decisions by a simple majority.

6. The arbitral tribunal shall take its decisions on the basis of paragraph 1 of Article 38 of the Statute of the International Court of Justice. Its decisions shall be binding.

7. The tribunal shall determine its rules of procedure in accordance with Chapter III of Part IV of the Convention for the Pacific Settlement of International Disputes signed at The Hague on 18 October 1907.

8. Each party to the dispute shall bear its own costs and, as the case may be, one-third or one-half of the costs of the arbitral proceedings.

9. The provisions of the present Article, except those of paragraph 6 above, shall apply to any disputes which arise between the associates concerning the activities of the Association and which must be submitted to their Governments under Article 24 of the Statutes. The tribunal shall base its decisions on the rules of law applicable to the dispute under consideration.

#### ARTICLE 6

The present Convention shall also apply to Land Berlin, unless a declaration to the contrary is made by the Government of the Federal Republic of Germany to the Government of the French Republic within three months from the date of entry into force of the present Convention.

#### ARTICLE 7

The Convention shall remain in force until 31 December 1982. It shall be tacitly extended from year to year unless two years' notice of termination has been given.