AGREEMENT

BETWEEN

THE MINISTRY OF DEFENSE OF THE ITALIAN REPUBLIC

AND

THE SECRETARIAT
OF NATIONAL DEFENSE
AND
THE SECRETARIAT OF THE NAVY
OF THE UNITED MEXICAN STATES

ON COOPERATION

IN THE FIELD OF DEFENSE PROCUREMENT

AGREEMENT BETWEEN THE MINISTRY OF DEFENSE OF THE ITALIAN REPUBLIC AND THE SECRETARIAT OF THE NATIONAL DEFENSE AND THE SECRETARIAT OF THE NAVY OF THE UNITED MEXICAN STATES ON COOPERATION IN THE FIELD OF DEFENSE PROCUREMENT.

The Ministry of Defense of the Italian Republic and the Secretariat of National Defense and the Secretariat of the Navy of the United Mexican States, herein after referred to as "the Parties":

BEARING IN MIND the commitments of the Italian Republic and the United Mexican States in the frame of the Charter of the United Nations:

WISHING to deepen the existing friendly relations between the Parties and increase cooperation in strengthening their capacities;

ACKNOWLEDGING reciprocal cooperation in the Army, Air Force and Navy sectors will strengthen existing relations between the Parties;

TAKING INTO ACCOUNT the provisions of the Framework Cooperation Agreement between the United Mexican States and the Italian Republic, signed in Rome, on July 8th 1991:

CONSIDERING the Joint Declaration of Strategic Partnership between the Italian Republic and the United Mexican States, signed in Rome on May 24th 2012, as well as to the Memorandum of Understanding between the Ministry of Defense of the Italian Republic and the Secretariat of the National Defense and the Secretariat of the Navy of the United Mexican States on Defense Co-operation, signed in Rome on March 3rd 2016;

The Parties agree on the following:

ARTICLE I OBJECTIVE

- 1.1 This Agreement establishes the reciprocal understanding between the Parties to mutually provide technical and administrative support for commercial initiatives related to defense materials and services, in accordance with national and international legislation.
- 1.2 The Parties will identify areas to develop a system of mutual collaboration and establish a detailed process for the acquisition and/or provisioning of military equipment that enable them to carry out their respective missions.

ARTICLE II DEFINITIONS

For the purposes of this Agreement, the following definitions will be applied:

- 2.1 Implementing Instruments: arrangements between the Parties regarding specific cooperation provisions, including the supply of equipment and technology transfers between the Parties;
- 2.2 Third Parties: any government, corporation, government department, organization or person other than the Parties;

2.3 Information: any contents, all documentation, manuals, technical publications, handbooks, computer software and other written, printed or electronically recorder material; or oral material of any kind, however transmitted or provided/handed regardless of their physical form or characteristics relating to this Agreement.

ARTICLE III APPLICATION SCOPE AND PRINCIPLES OF THE COOPERATION

- 3.1 The Parties share the will to establish a cooperation in the field of defense procurement, governed by the principles of mutual respect, equality and mutual interest.
- 3.2 The Parties will jointly cooperate with the objective of identifying missions, standards and interoperability of defense equipment and products, which will be the basis for operational support in the modern scenarios/theatres of military operations. They will use their best efforts to reach, at least in specific and identified areas, the maximum possible commonality.
- 3.3 Should a Party decide to award purchasing contracts to defense industries residing in the territory of the other Party, its Counterpart must support it in all phases of the process, from requirement specification to further phases relating the production and any other assistance during the test phase, although all the decisions and responsibilities will remain within the purchasing Party.
- 3.4 On request of the counterpart, each Party will provide the initial qualification and certification activities, airworthiness, continuing airworthiness and configuration management of the acquired Systems, in accordance with a set of rules to be defined in Implementing Instruments.

ARTICLE IV AREAS OF CO-OPERATION

- 4.1 The Parties define a set of possible "areas of cooperation", including but not limited to the following areas:
 - 4.1.1 land systems, Future Soldier personal weapons and systems, wheeled armored vehicles, artillery systems with precision-guided munitions, including training systems, technical and logistic in-service support;
 - 4.1.2 atmospheric and ocean monitoring systems for the generation of METOC information, such as fixed and mobile weather stations (on-board of surface units), METOC buoys, meteorological radars, wind profilers, as well as equipment to process and storage information, Including telemetry systems, specialized software and database management and deployment equipment for command and control centers and their link to defense weapon systems;
 - 4.1.3 atmospheric and ocean numerical prediction systems, as well as high performance processing equipment for METOC information generation;

— 12 -

- 4.1.4 aircrafts and land based training systems, technical service and logistic support;
- 4.1.5 helicopters, including training systems, technical and logistic in-service support;
- 4.1.6 air defense systems and anti-tactical ballistic missile systems;
- 4.1.7 unmanned systems (UAV, UGV and USV) including training systems, technical and logistic in-service support;
- 4.1.8 ships and related equipment for military use, including training systems, technical and logistic in-service support;
- 4.1.9 submarines and related equipment for military use, including training systems, technical and logistic in-service support;
- 4.1.10 systems of underwater survey equipment;
- 4.1.11 borders and coast control systems and sensors, including training systems, technical and logistic in-service support;
- 4.1.12 earth observation satellite systems, employing military radar technology with resolution;
- 4.1.13 automatic firearms and associated ammunition;
- 4.1.14 medium and large-caliber weapons and associated ammunition;
- 4.1.15 bombs, mines (excluding anti-personnel mines), rockets, missiles, torpedoes and associated monitoring equipment;
- 4.1.16 gunpowder, explosives and propellants for military use;
- 4.1.17 electronic, electro-optical and photographic systems and related equipment for military use;
- 4.1.18 especially manufactured armored materials for military use;
- 4.1.19 specific materials for military training;
- 4.1.20 machines and equipment designed for manufacturing and testing;
- 4.1.21 monitoring weapons and ammunition;
- 4.1.22 special equipment manufactured for military use;
- 4.1.23 other military areas that may be of mutual interest to both Parties.
- 4.2 The procurement of materials of mutual interest of the respective Armed Forces shall take place under this Agreement and the applicable laws of the Parties and may be carried out through direct State-to-State operations.
- 4.3 The Parties undertake not to re-export the acquired material to third Parties without the previous consent of the Party which originally provided the material.
- 4.4 Activities in the area of defense industry and procurement regulations, research, development of armaments and military equipment may take the following modalities:

- 4.4.1 scientific research, test and design;
- 4.4.2 exchange of experience in the technical sector;
- 4.4.3 mutual production, modernization and mutual technical services in sectors decided by the Parties;
- 4.4.4 support to the defense industries and governmental bodies in order to create cooperation in the field of military material production.
- 4.5 The Parties will offer mutual assistance and collaboration to foster the fulfilment by industries and/or organizations concerning this Agreement and contracts signed under its provisions.

ARTICLE V IMPLEMENTING INSTRUMENTS

5.1 Further detailed procedures required to implement the provisions outlined in this Agreement, in respect of procurement, training, logistic support and combined operations, will be the subject of Implementing Instruments that the Parties will establish in other documents.

ARTICLE VI FINANCIAL ASPECTS

6.1 This Agreement does not lay down any financial obligation for the Parties or between the Parties. The terms of the required funding for the cooperation implementation provided in this Agreement will be set out in Implementing Instruments.

ARTICLE VII INTELLECTUAL PROPERTY

7.1 The Parties commit themselves to put into effect the procedures required to ensure the safeguarding of all the intellectual property including patents from the initiatives carried out in compliance with this Agreement, according to their national legislation, as well as regards Italy, in compliance with the obligations arising from its membership of the European Union.

ARTICLE VIII CLASSIFIED INFORMATION PROTECTION

- 8.1 "Classified information" is any information, act, activity, document, material or thing to which one of the Parties has assigned a security classification.
- 8.2 All classified information exchanged or generated in connection with this Agreement, will be used, transmitted, stored, handled and/or protected in accordance with the Parties' applicable internal laws and regulations.

- 8.3 Classified information shall be transferred only through government-to-government channels approved by the Competent Security Authority/ Authority designated by the Parties.
- 8.4 Each Party shall determine the classification corresponding to the received information and shall assign it a protection level equal to or higher than the level determined by the sending Party.
- 8.5 Access to classified information exchanged on the basis of this Agreement is exclusively permitted to the personnel of the Parties who have a need-to-know and an adequate level of security clearance in compliance with national laws and regulations of each Party.
- 8.6 The Parties shall ensure that all classified information exchanged, will be used exclusively for the intended purposes within the objectives and the scope of this Agreement.
- 8.7 Transfer to third Parties or international Organizations of classified information, obtained as a result of cooperation developed under this Agreement, shall be subject to the prior written consent of the Competent Security Authority of the generating Party.
- 8.8 Without prejudice to the immediate effect of the clauses contained in this article, further aspects of security relating to classified information not contained in this Agreement shall be governed by a specific general Agreement on security concluded by the respective Competent Security Authorities or by Authorities designated for that purpose by the Parties.

ARTICLE IX TAXES, CUSTOM DUTIES AND SIMILAR CHARGES

9.1 The Parties will use their best to grant that taxes will be easily identified. Taxes, custom duties and/or similar will be borne by the Parties in whose territory they are imposed.

ARTICLE X SETTLEMENT OF DISPUTES

10.1 Any dispute arising from the application or interpretation of this Agreement shall be settled between the Parties through direct consultations.

ARTICLE XI FINAL PROVISIONS

11.1 This Agreement will enter into force on the date of receiving the last of them written notifications by which the Parties shall inform each other of the fulfillment of their respective domestic requirements for the entry into force of this Agreement.

- 11.2 This Agreement will remain in force until one of the Parties decides, at any time, to terminate it by written notice to the other Party with a prior notice of ninety (90) days.
- 11.3 The termination of this Agreement will not affect any on-going activities or implementing instruments, unless otherwise agreed by the Parties.
- 11.4 This Agreement may be amended at any time by a written mutual consent of the Parties. Such amendments will enter into force as specified in paragraph 11.1 of this Article.

IN WITNESS WHEREOF, the undersigned, being duly authorized, sign this Agreement.

Done at Mexico City, on <u>AUGUSI APTH</u> 2018, in three originals, each in the Italian, Spanish and English languages, all texts being equally authentic. In case of any divergence of interpretation, the text in English will prevail.

FOR THE SECRETARIAT OF THE NATIONAL DEFENSE OF THE UNITED MEXICAN STATES.

GENERAL DE DIVISION D.E.M.
EDUARDO EMLIO ZARATE LANDERO
CHIEF CLERK OF THE SECRETARIAT
OF THE NATIONAL DEFENSE.

FOR THE SECRETARIAT OF NAVY OF THE UNITED MEXICAN STATES.

ALMIRANTE (.G. D.E.M. JOSE LUIS VERBAMA BARRA CHIEF CLEMO OF NAVY. FOR THE MINISTRY OF DEFENSE OF THE ITALIAN REPUBLIC.

LUIGI MACCOTTA
AMBASSADOR OF THE
ITALIAN REPUBLIC TO
MEXICO.

LAVORI PREPARATORI

Camera dei deputati (atto n. 1626):

Presentato dal Ministro degli affari esteri e coop. inter.le, Enzo Moavero Milanesi e dal Ministro della difesa, Elisabetta Trenta (Governo Conte-I) il 22 febbraio 2019.

Assegnato alla III commissione (Affari esteri e comunitari), in sede referente, il 25 marzo 2019, con i pareri delle commissioni I (Affari costituzionali), IV (Difesa), V (Bilancio) e X (Attività produttive).

Esaminato dalla III commissione (Affari esteri e comunitari), in sede referente, il 6 giugno 2019 ed il 25 luglio 2019.

Esaminato in aula il 4 novembre ed approvato il 6 novembre 2019.

Senato della Repubblica (atto n.1609):

Assegnato alla 3ª commissione (Affari esteri, emigrazione), in sede referente, il 20 novembre 2019, con pareri delle commissioni 1ª (Affari costituzionali), 2ª (Giustizia), 4ª (Difesa), 5ª (Bilancio) e 10ª (Industria).

Esaminato dalla 3ª commissione (Affari esteri, emigrazione), in sede referente, l'11 febbraio 2020 ed il 14 maggio 2020.

Esaminato in aula ed approvato definitivamente il 27 maggio 2020.

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