

Agreement between the Government of the State of Israel  
and the Government of the United States of America  
for the Establishment and Operation  
of a Radio Relay Station in Israel

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Whereas the Government of the United States of America has requested the Government of Israel that a radio relay station (hereinafter the "radio facility") be established in Israel;

And whereas the Government of Israel has, in response to this request, agreed to the establishment of such a radio facility;

And whereas the Government of the United States of America intends to bear the costs of the project and intends to ensure that the establishment and operation of the radio facility in Israel's Arava area will be to the benefit of the area; as well as to the benefit of Israel's economy through the Government of the United States of America endeavoring to ensure that to the maximum feasible extent the establishment and operation of the radio facility shall be carried out by Israel entities;

And whereas the Government of Israel has established the Transmissions of Middle East Relay Project Management (hereinafter "TOMER");

Therefore the Government of the State of Israel and the Government of the United States of America have agreed to the establishment and operation in Israel of the radio facility as follows:

1. The Government of the United States of America and the Government of Israel agree on the establishment of a radio facility in Israel (as referred to in Annex 1) to relay programs broadcast by the Voice of America and those under the auspices of the Board for International Broadcasting (hereinafter "the U.S. Broadcast Entities" or "USBE").

This Article applies to the existing radio facilities operated by the above entities.

2. In recognition and in appreciation of the principles set forth in the preamble it is agreed that:

(A) The radio facility shall be designed, established and operated in accordance with separate design, establishment and operations contracts. Other arrangements which may be required may be concluded between the USBE and TOMER.

(B) The separate design contract referred to in paragraph 2 (A) above will be awarded by the USBE on the basis of nondiscriminatory full and open competition among Israel and American firms only, in accordance with the selection criteria set forth in Annex 2 to this Agreement. The final design prior to the award of the establishment contract(s) shall be subject to approval of both USBE and TOMER. Approval of the final design and any changes to the final design thereafter shall be dealt with in accordance with Annex 3.

- (C) The separate establishment contract(s) referred to in Paragraph 2 (A) above will be awarded by the USBE on the basis of nondiscriminatory full and open competition among Israel firms only, provided that the selected Israel firms shall subcontract for United States manufactured transmitting equipment and antennas, as defined in Annex 4.
- (D) The radio facility shall be operated by TOMER in accordance with separate operations contract(s) to be concluded between TOMER and the USBE.
- (E) The USBE and TOMER will coordinate the design and establishment of the radio facility, particularly with respect to ensuring that Israel's national interests are protected. TOMER will actively participate in the design and establishment of the project. The functions, responsibilities, and authorities of TOMER and its relationship to the USBE with respect to the entire project of design and establishment of the radio facility are set forth in Annex 3 of this Agreement.
- (F) The establishment and operation of the radio facility will be managed in accordance with and governed by Israel laws, regulations, and executive and administrative directives and shall be subject to Israel law and jurisdiction.

Notwithstanding the above paragraph, the parties to the separate establishment and operations contracts, and the parties to the subcontracts thereunder, may determine the terms of the contracts to the extent that those terms do not contravene Israel laws, regulations, as well as executive and administrative directives, and are not inconsistent with the terms of this Agreement.

- (A) The USBE will use the radio facility only for relay of radio programs from the USBE to coverage areas outside Israel and not for on-site program origination.
- (B) Omission of a specific language or coverage area, upon Government of Israel request, will be through mutual agreement between the Government of Israel and the Government of the United States of America.

4. The Government of Israel undertakes to make arrangements necessary to provide the specified site, as described in Annex 5, for the radio facility for the period of the Agreement.

- 5. The Government of the United States of America will pay all costs, as described in the separate establishment and operations contracts, to build and operate the radio facility. The Government of the United States of America will pay such additional costs as are described in Annex 6 of this Agreement.

In addition to, but apart from, the separate establishment and operations contracts and the additional costs described in Annex 6 of the Agreement, the Government of the United States of America will pay all reasonable and justifiable costs arising from the establishment and operation of the facility. However, any such costs which appear to the Government of the United States of America to be unjustifiable and unreasonable in nature, will be dealt with in accordance with Article 16.

The radio facility shall be for the primary use of the USBE for a period of twenty-five years commencing on the date of the first operational relay transmission (hereinafter "the commencement date"), during which period the title to the equipment at the radio facility will be held by the USBE. After fifteen years from the commencement date, the Government of Israel is entitled, at its request, to receive title to any equipment at the radio facility at no cost. The Governments agree that after fifteen years from the commencement date, upon request of either Government, negotiations will be held between them to review this Agreement. Should such a review take place, the USBE shall continue to have primary use of those facilities for the remaining years subject to the terms of the reviewed Agreement.

Subsequent extensions will also be concluded on a mutually agreeable basis.

7. Subject to the USBE's primary use requirements being satisfied, the Government of Israel shall be entitled to use the facility for its own purposes and at its own expense, as mutually coordinated with the USBE.
8. The Government of Israel shall take all necessary steps within the framework of the radio regulations of the ITU and the prevailing international radio regulations, to make available to the USBE the agreed radio frequencies required for transmission by the radio facility.
9. The Government of the United States of America and the Government of Israel will agree on how the USBE will identify themselves. Changes of this identification which might relate to the site in Israel, should they become necessary, will be made in agreement with the Government of Israel.
10. The Government of the United States of America affirms that the longstanding principles prohibiting the broadcast of material directly or indirectly advocating or inciting racial and/or religious discrimination or intolerance will apply to all broadcasts relayed from Israel.

11. The USBE shall not relay from the radio facility programs detrimental to the national interests of Israel or to the relations between a Jewish community in a country and the Government of that country.
12. If the Government of Israel considers that the principles stated in Articles 10 and 11 above have not been adhered to, it shall inform the Government of the United States of America and request that immediate steps be taken to correct the situation. Should the problem not be resolved, the matter shall be brought before the Government of the United States of America and the Government of Israel at the highest possible levels, which shall jointly take such action as may be required to rectify the situation.
13. Each country transmitting from the radio facility will be solely responsible for the content of its broadcasts.
14. The Government of the United States of America affirms that the radio facility is being established at the request of the Government of the United States of America and according to plans and specifications of the Government of the United States of America.

It is understood that due to the above and to political circumstances applying to the area, the Government of Israel will not assume international responsibility with respect to the establishment and presence of the radio facility in Israel, and broadcasts by the USBE.

The Government of the United States of America will take all appropriate measures to forestall any action by a third state detrimental to Israel regarding the above. Further, the Government of the United States of America will actively oppose criticism and work to defeat actions initiated by third states, including in international fora, against Israel arising from the above. The Government of Israel will support the Government of the United States of America in that respect.

15. (A) The Government of the United States of America shall indemnify the Government of Israel, its officials and employees against any loss or damage on account of injury to persons or property arising from the operation or use of the radio facility. The above will include loss or damages occurring to third parties.
- (B) Where, however, the Government of the United States of America believes that such loss or damage was caused by the negligence or willful act of an official or employee of the Government of Israel, and this is disputed by the Government of Israel, then the issue shall be settled in accordance with Article 16.
16. A joint committee shall be formed in order to settle any disputes or differences concerning the interpretation and implementation of this



Agreement. If the joint committee fails to settle the dispute or difference, it shall be submitted for negotiation and settlement by the two Governments.

17. Amendments to this Agreement will be by the mutual written consent of both Governments.

18. In the case of imperative national security reasons, as determined by the Government of Israel, the Government of Israel may temporarily suspend transmissions from the radio facility. The Government of Israel shall make every effort to inform the Government of the United States of America in advance of such action and to restore operations as soon as possible.

19. (A) This Agreement may be terminated by mutual written consent of both Governments.

(B) The Governments realize that due to the special character of the organization, direction and control of the radio facility, extraordinary and unforeseen circumstances might necessitate the termination of the Agreement by either Government. In the event such extraordinary unforeseen circumstances should occur, the Governments shall expeditiously negotiate a mutually satisfactory termination arrangement. Such arrangement shall also deal with possible questions of liability.

20. (A) (1) The Government of Israel and the Government of the United States of America will agree upon lists of tax exempt items designated for the radio facility (hereinafter "items"). Not later than thirty days prior to importing the items, lists will be submitted by the USBE to TOMER of the items to be exempted.

(2) The items included in the systems described in Annex 7 will be exempt from customs, duties, purchase tax, compulsory payments, surcharges, and deposits imposed by the Import and Export Ordinance (New Version) or any other tax or compulsory payment which are or may be levied on the import of goods to Israel.

(B) All value added tax charged to or paid by the Government of the United States of America under the terms of this Agreement will be refunded to the Government of the United States of America by the Government of Israel upon submission of receipts indicating the amount of the tax paid and other relevant data. An expeditious refund procedure will be agreed upon by the parties.

(C) The exemption or refund as aforesaid will be subject to the confirmation of the Director of the Customs and Value Added Tax Department, or the person(s) authorized by him to make such confirmation on his behalf, to the effect that such goods or services were used for the radio facility.

(D) Within Israel, items in systems exempted from any tax may not be sold or transferred to third persons or used for purposes other than the radio facility without the prior approval of the Government of Israel.

(E) Each party will inform the other party of the name of its representative(s) appointed for the purpose of the implementation of the provisions of this Article.

1. An agreed number of personnel of the Government of the United States of America will be assigned to the Embassy of the Government of the United States of America in Israel to work on the radio facility.

There will be an exchange of official letters concerning this matter.

2. (A) Both Governments agree that the Agreement will be implemented in accordance with their respective required statutory processes and procedures.

(B) It is agreed and understood that the financial commitments made under Article 5 of the Agreement are subject to the appropriation of funds for these purposes by the Congress of the United States of America.

23. Each Government shall notify the other upon completion of the procedures necessary under its laws to allow this Agreement to come into force. Notification of the completion of these procedures shall be exchanged as soon as possible. The Agreement shall continue in effect for twenty-five years after the date of the first operational relay transmission. The Government of the United States shall promptly advise the Government of Israel by note of the first operational relay transmission.

IN WITNESS WHEREOF the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

DONE at Washington, in duplicate, this eighteenth day of June, 1987, which corresponds to the twenty-first day of Sivan, 5747, in the English and Hebrew languages, both texts being equally authentic. In the event of divergency, the English text shall prevail.

FOR THE GOVERNMENT OF THE  
STATE OF ISRAEL:

*G. J. J. J. J.*

FOR THE GOVERNMENT OF THE  
UNITED STATES OF AMERICA:

*Robert Z. Wick*  
*M. J. J. J.*

## ANNEX 1

### RADIO FACILITY

The shortwave radio facility in Israel will include up to sixteen (16) high power 500 kW-class shortwave broadcast transmitters, up to twenty-two (22) curtain antenna systems and associated equipment, including audio processing equipment, RF switching and distribution networks, a dual two-way satellite ground station, a backup system for program feed, communications equipment and power distribution system.

A detailed description of the radio facility and its performance characteristics will be developed, refined, and agreed upon as part of the final acceptance of the radio facility.

## ANNEX 2

### DESIGN CRITERIA

With respect to the selection process for the design of the proposed radio facility to be established in Israel, the USBE will use the following selection criteria in accordance with the U.S. Federal Acquisition Regulations (FAR) subsection 36.602.1:

1. Professional qualifications necessary for satisfactory performance of the required services.
2. Specialized experience and technical competence in the type of work required.
3. Capacity to accomplish the work in the required time.
4. Familiarity with Israel laws and regulations regarding environmental restrictions, building codes standards, licensing and permits, labor practices, safety and industry standards.
5. Past experience with major construction projects in the Middle East.
6. Ability to prepare plans and specifications in both English and Hebrew.
7. Past performance on contracts for similar work with governmental agencies and private industry in terms of cost control, quality of work, and compliance with performance schedules.

The above criteria will be set forth in both the public announcement and solicitation (tender).

The solicitation will include requirements for eligibility for Israel security clearance, licensing and registration. In addition, each selected firm will be required to submit a detailed project staffing plan, including the name and professional qualifications of each key person; and a requirement that the approved plan may not be altered without prior approval of the contracting officer.

ANNEX 3

TOMER

Functions, Authorities and Relationships to USBE

A joint Project Office ("JPO"), headed by the USBE Construction Manager in Israel ("CMI") and comprised of USBE and TOMER representatives, will oversee all aspects of the project.

TOMER shall interact with the USBE Project Management in Washington, D.C. ("PMW") and with the CMI to perform the following:

1. Review the requirements, the specifications and any other design documents and data, such as the prototype design, and provide recommendations to the PMW, prior to the solicitation of the design of the radio facility.
2. Prepare the Outline Scheme and Environmental Impact Statement in coordination with the USBE using the project's A/E designer as the consultant responsible for its drafting. TOMER will prepare the necessary material reflecting Israel's classified needs as they may affect the radio facility and incorporate the appropriate material into the OS/EIS. TOMER shall move the plan through the governmental process to final approval as expeditiously as possible.



3. Participate in the preparation of the solicitations for the design and establishment and in the design selection process, and review the contracts prior to award.
4. Participate in the preparation of technical contract documents to integrate USG and GOI requirements.
5. Participate in establishing the project master schedule, including milestones, and assist the USBE in the execution of that schedule.
6.
  - A. Participate on a regular basis in all the formal procedures of the contracts administration, such as the design reviews, contractor orientation sessions, change procedures and the configuration management control.
  - B. During the establishment phase, provide the USBE representatives reviews and/or comments on the activities specified under 6 A. If TOMER identifies an item as a "change" then that item will be dealt with according to the change procedures.
  - C. Be entitled at any time during the establishment of the radio facility to propose changes in the design. Such proposals will be dealt with according to agreed upon change procedures.
7. Cooperate with the USBE in providing monitoring and inspection of the production of the electronic and other systems at the manufacturers' plants and on-site.
8. Cooperate with the USBE in the monitoring of the integration of the subsystems and of the system as a whole.

9. Cooperate with the USBE in the monitoring and coordination of the construction work.
10. Participate in the preparation of the final acceptance tests plans and cooperate with the USBE in their execution.
11. Establish an Integrated Logistic Support ("ILS") system (including technicians and operators training program) together with the USBE.
12. Define the GOI requirements and approve the design of the system to be established to monitor the output of the radio facility.
13. Analyze security requirements and provide security plans, which will be compatible with the USBE design.
14. Assist the USBE in general contract administration activities.
15. Operate and maintain the radio facility.
16. Serve as an expeditor and coordinator point between the USG and all GOI entities and other Israel authorities, and inform the USBE as to the requirements for obtaining the needed permits and licences.
17. Coordinate with a view to settle all relevant issues with the Arava communities, with the concurrence of the USBE.
18. Assist and help to expedite the clearances of imported equipment.
19. Be furnished within a reasonable time by the USBE all engineering information, data, documents and records pertaining to the project.

20. Be invited to all formal sessions and meetings with the project contractors.
21. Conduct oversight of all changes in the establishment contract as part of a joint change committee, comprised of representatives of CMI and TOMER.
22. Have full access at all times to the site and have the right to accompany the USBE on inspections to all facilities in which project items are produced. Such inspection visits shall be arranged upon request by TOMER, at times and frequencies of mutual convenience.
23. Participate in System Requirements Reviews (SRR's) to be held between TOMER and the USBE for each major electronic and other subsystem immediately after final determination by the USBE of the detailed requirements for that subsystem.
24. During the design stage of the radio facility:
  - A. TOMER shall not object to any aspects of the design except where such aspect is detrimental to national security, communications, health, or environmental interests of Israel. TOMER will not disapprove any aspect of the final design in order to be able to discriminate in favor of any particular potential contractors or subcontractors.
  - B. Should TOMER consider that an aspect of the design is detrimental to Israel interests as described under the foregoing paragraph, it shall so inform the USBE in writing. Should these matters not be resolved by the USBE

and TOMER, they shall be dealt with according to Article 16 of the Agreement.

25. During the establishment stage of the radio facility:

A. The USBE will inform TOMER as soon as possible after a proposal is recommended for consideration to change the design. In any event, there will be regular meetings between TOMER and USBE during the establishment phase to review the status of all proposed or implemented changes to the design, with particular attention given to objections by either party to the changes proposed or implemented by the other.

B. Proposals of USBE for changes in design:

(1) TOMER will not object to any change in the design unless it considers the change detrimental to the national security, communications, health or environmental interests of Israel.

(2) If the USBE considers its proposed change to be of an urgent nature, and is not detrimental to Israel's national security, communications, health or environmental interests, it may proceed with the change, at its own risk, pending resolution of the issue in accordance with 25 B (3) below.

(3) In the event of disagreement between the USBE and TOMER concerning design changes, the matter shall be dealt with according to Article 16 of the Agreement.

C. Proposals of TOMER for change in design:

TOMER will be entitled to propose changes to the design which it determines necessary to protect national security, communications, health or environmental interests of Israel. Should there be objections by the USBE to a proposed change, the matter shall be dealt with in accordance with Article 16.

D. Final acceptance tests:

- (1) If, in the course of the final acceptance tests, a problem of harmful interference to a third state is detected, a solution agreed to by both parties shall have to be found prior to the full operation of the radio facility.
- (2) If, in the course of the final acceptance tests, a problem is detected which is seriously detrimental to the national security, communications, health or environmental interests of Israel, a solution agreed to by both the USBE and TOMER shall have to be found prior to the full operation of the radio facility.
- (3) In the event of disagreement between USBE and TOMER concerning the matters in paragraphs D (1) and D (2) above, the matters shall be dealt with in accordance with Article 16.

26. During the operation of the radio facility:

When, in the judgment of TOMER, there is a serious and imminent threat to the national security, communications, health or

environmental interests of Israel, TOMER shall make every effort to inform the USBE of such threat. Technical representatives of the USBE and TOMER shall proceed immediately to rectify the problem. Prior to such action, TOMER may introduce whatever temporary changes (as distinct from suspension) it deems necessary and reasonable in appropriate operational variables of the radio facility to the minimum extent necessary to alleviate the threat. In the event of a dispute, the matter shall be dealt with in accordance with Article 16 of the Agreement.

27. Should the matters referred to in paragraphs 24 B, 25 B (3), 25 C, 25 D (3) or 26 not be resolved under Article 16, they shall be brought before the USG and the GOI at the highest possible levels, which shall jointly take whatever action may be required to rectify the situation.
28. The USBE undertakes to ensure that its contractors comply fully and promptly with any and all arrangements reached between the parties under the terms of this Annex or alternatively the parties may resort to action under Articles 18 and/or 19 of this Agreement.

ANNEX 4

DEFINITIONS - ARTICLE 2 (C)

With reference to and for the purposes of Article 2 (C) of this Agreement:

1. An Israel firm will be defined in the USBE's establishment contract solicitation as a company registered in Israel of which half or more of its added value is of local origin.
2. Such a company will have proven experience in construction and electronics projects. Furthermore, in order to assure adequate interest in supervision of all work involved in the project, the solicitation will contain a provision that the above defined Israel firm shall (A) possess the capability of supervising or performing a significant portion of the electronic work involved, inclusive of systems integration, and (B) perform with its own organization work equivalent to at least twelve (12) percent of the total amount of work to be performed under the contract.
3. In the event of multiple establishment contracts, the requirements of paragraph 2 above will be applicable only to that contract under which the transmitting equipment and antennas are furnished.
4. United States manufactured transmitting equipment and antennas will be defined in the USBE's establishment contract solicitation as domestic end products.

5. Domestic end product, as used in paragraph 4 above, means an end product manufactured in the United States if the cost of its components mined, produced or manufactured in the United States exceeds 50% of all its components.
6. Components, as used in paragraph 5 above, mean those articles, materials, and supplies incorporated directly into the end products.



ANNEX 5

SITE DESCRIPTION

The USBE radio facility will be located within the boundaries established by Israel grid coordinates:

- |    |      |              |
|----|------|--------------|
| 1. | S.E. | 177.0,024.20 |
| 2. | S.   | 174.9,024.45 |
| 3. | S.W. | 173.9,024.50 |
| 4. | S.W. | 173.2,025.30 |
| 5. | W.   | 173.3,025.80 |
| 6. | N.W. | 175.4,030.00 |
| 7. | N.E. | 177.0,030.00 |

and the attached Israel Plot Plan dated June 15, 1987.



## ANNEX 6

### COSTS

The Government of the United States of America will pay sixteen million dollars (\$16,000,000.00) to the Government of Israel as soon as possible after funds have been appropriated for this purpose by the United States Congress and after the EMC study results have reaffirmed the feasibility of the project. In consideration of this payment, the Government of Israel, for the duration of this Agreement, will pay all: land lease costs associated with the site; payments to the communities in the site region; land-use charges; municipal and regional taxes, exclusive of fees for services actually provided; security costs, exclusive of on-site security, during the design and establishment phases of the project.

## ANNEX 7

### RADIO FACILITY SYSTEMS

The radio facility is made up of two major systems: the broadcast system and the civil works/facilities system.

The broadcast system is exempt from all taxes and consists of all equipment associated with processing and controlling the broadcast signal, from receipt of the signal by satellite earth station, or other means, to emission of the signal from the antenna. Control refers to the internal and external automated and manual elements of the system.

Equipment under the civil works/facilities system which is unique to the radio facility will be considered for exemption from taxes on a case by case basis.