

**MEMORANDUM OF UNDERSTANDING**  
**BETWEEN**  
**THE MINISTRY OF DEFENCE OF THE ITALIAN REPUBLIC**  
**AND**  
**THE MINISTRY OF DEFENCE OF MONTENEGRO**  
**CONCERNING**  
**DEFENCE PROCUREMENT COOPERATION**

## **Introduction**

The Minister of Defence of Montenegro  
the Ministry of Defence of the Italian Republic  
hereinafter referred to as "Participants"

- bearing in mind their partnership in the North Atlantic Treaty Organization;
- bearing in mind the Italian membership of the European Union;
- having regard to the provisions of their bilateral Agreement on Defence Cooperation entered into force on 05 February 2016;
- having regard to the provisions of their bilateral Agreement on Exchange and Protection of Classified Information signed on 13 October 2015;
- considering their close and long-term operational cooperation activities, aimed at promoting combined participation to international operations through increased interoperability and common training and exercise programmes;
- considering the willingness to established a long term bilateral strategic collaboration aimed at improving their mutual interoperability and increasing their joint operational capabilities and activities in the military field;
- considering that the Participants are of the view that Government-to-Government (G2G) defence procurement would facilitate and improve mutual transactions and cooperation;

HAVE DECIDED AS FOLLOWS:

## **1. Purpose**

1.1. The purpose of this Memorandum of Understanding, hereinafter referred to as the "MoU", is to promote G2G defence procurement cooperation to be carried out by and between the Participants for the acquisition of military and defence equipment, training and services.

## **2. Principles and Scope**

2.1. The relations between the Participants will be based on mutual trust and respect, equality, reciprocity and common interests, in order to achieve maximum possible cooperation between them.

2.2. This MoU is not intended to create any rights or obligations, neither pre-contractual nor contractual, binding on the Participants.

2.3. The Participants will develop G2G arrangements and contracts to implement their cooperation in the specific defence procurement areas of interest, where appropriate and in accordance with their national laws and regulations and with their international commitments.

2.4 The following activities may be carried out by the provider's Participant according to the above arrangements and contracts:

- a. negotiation of the acquisition contract with the provider;
- b. managing of all the technical and administrative documentation necessary for the procurement procedures;
- c. definition of the final acquisition contract, conclusion and finalization of the contract, in execution of the specific written mandate issued by the procuring Participant;
- d. technical and administrative monitoring of the contract execution;
- e. all activities in connection with costs.

## **3. Organisation**

3.1. Representatives of the Participants will meet periodically and alternatively in each of the countries, or as they may agree, to jointly review cooperation progress under this MoU and to consider specific proposals for new projects or other cooperation activities.

3.2. Within the scope of discussion and coordination of any task arising from this MoU, a Bilateral Commission (BC) will be created by mutual agreement of the Participants. The BC will be co-chaired by the National Armaments Directors or their equivalents.

Any communication relating to this MoU will be addressed to the following points of contact:

For the Ministry of Defence of the Italian Republic:  
Secretariat General of Defence & National Armaments Directorate  
Industrial Policy & International Relations Department  
Via di Centocelle, 301 00175 Rome  
r3u3s0@sgd.difesa.it

For the Ministry of Defence of the Republic of Montenegro:  
Acting Director General of the Logistics Directorate  
Jovana Tomaševića 29, 81000 Podgorica, Montenegro  
veljko.malistic@mod.gov.me

Any changes to the points of contact above will be notified in writing by the relevant Participant to the other Participant without requiring any amendment to this MoU.

#### **4. Use of Information and Materials, Protection of Intellectual Property**

4.1. Within the cooperation activities deriving from this MoU, each Participant will grant the other Participant access to the necessary materials and information, provided that it is in line with the international commitments, national legislation and internal regulations of their respective States.

4.2. For the purpose of this MoU, the term Information will include recorded or documented information of a scientific, technical, business or financial nature, whatever the format, documentary characteristics or other medium of presentation such as: experimental and test data, specifications, designs and design processes, inventions and discoveries whether patentable or not, technical descriptions and other works, technical and manufacturing data packages, know-how and trade secrets and information relating to industrial techniques. It may be presented in the form of documents, pictorial reproductions, drawing and other graphic representations, disk and film recordings (magnetic, optical and laser), computer software both programmatic and data base, and computer memory printouts or data retained in computer memory, or any other form.

4.3. The Participants guarantee that the technical documentation, the Information and the materials exchanged under the provisions to this MoU, will be used only in the framework of the aims set forth in this MoU with the prior consent of those who control the relevant proprietary rights within the maximum protection of them. Neither Participant of the MoU will hand over technical documentation, information and materials, intellectual property rights, rights belonging to the State of the other Participant of the MoU to a third country, nor its legal entities and/or natural persons, international organizations, or any third party without the prior written consent of that other MoU Participant.

4.4. Each of the Participants will take the necessary measures to prevent the misuse of information and intellectual property belonging to the State of the other Participant in accordance with the national legislation, as well as international treaties that constitute the national legal system of the Participant. The Participant which received the material and information will protect it at a level not lower than the level of protection applied by the Participant who provided the material and information.

4.5. Protected or unprotected results arose from collaborative work are considered, unless explicitly agreed otherwise, to be co-owned by Participants, depending on their mutual contributions.

4.6. The rights and obligations of each Participant relating to: industrial and intellectual property, reproduction, granting production licenses, production within their countries, issuing production licenses, sale to third countries and protection of patents related to inventions created within the bilateral projects in accordance with this MoU, will be defined by

arrangements as in Section 2 of this MoU that will regulate the protection of these rights for a particular project. These arrangements will be concluded on the basis of the national regulations of the Participant and international agreements in force relating to the protection of these rights in both States.

#### **5. Security of Classified Information**

5.1. The Participants will exchange classified information under this MoU, in accordance with their bilateral Agreement on Exchange and Protection of Classified Information signed on 13 October 2015

#### **6. Financial Provisions**

6.1. Each Participant will bear its own financial costs and expenses incurred during the implementation of this MoU, unless otherwise agreed.

6.2. This MoU does not lay down any financial obligation for the Participants; the most appropriate financial solution necessary for the implementation of cooperation activities will be set out in the descending arrangements.

6.3. In any case, all possible expenses incurred by the Participants will be subject to the availability of funds in their ordinary annual budget, in compliance with their respective national legislation in force.

#### **7. Taxes, Customs Duties, and Similar Charges**

7.1. Export/transfer taxes, customs duties, import and similar charges will be administered in accordance with each Participant's respective laws and regulations. Insofar as existing national laws and regulations permit, the Participants will endeavour to ensure that such readily identifiable duties, taxes, and similar charges, as well as quantitative or other restrictions on imports and exports, are not imposed in connection with work carried out under this MoU.

7.2. Each Participant will use its best efforts to ensure that customs duties, import and export/transfer taxes, and similar charges are administered in a manner favourable to the efficient and economical conduct of the work. If any such duties, taxes, or similar charges are levied, the purchasing Participant will bear the costs

#### **8. Divergences**

8.1 The Participants will notify each other in the event of any conflict arising.

8.2 Any divergence regarding the interpretation and/or implementation of this MoU will be settled amicably through direct consultations and negotiations between the Participants, without referring to any national or international tribunal or other third party for settlement.

#### **9. General Provisions**

9.1 The cooperation of the Participants as well as the implementation of this MoU will be performed in accordance with the national laws and regulations of the Participants' States,

with the international agreements binding on the Participants' States and, as far as the Italian side is concerned, with the obligations ensuing from its membership of the European Union.

9.2 Military and/or civilian personnel, in relation to any activity under this MoU involving the deployment/dispatching within the territory of the State of the other Participant will be subject to NATO Sofa and other legally binding agreements between the Participant's States.

9.3 The official cooperation language will be English, consequently all information generated or exchanged between the Participants under this MoU, together with the following arrangements, will be in that language.

## 10. Entry into Effect, Duration, Amendment and Termination

10.1 This MoU will come into effect on the day of its signature and will remain in effect for unlimited period of time until one of the Participants decides to terminate it.

10.2 This MoU may be amended at any time, by written mutual consent of the Participants.


10.3 The termination by one Participant will be notified to the other Participant in writing, being effective ninety (90) days after receiving the notification by the other Participant. Such notification would be a matter of immediate consultations between the Participants to enable them to fully evaluate the consequences of termination of this MoU and in the spirit of co-operation to take any action necessary to alleviate problems arising from the termination.

10.4 The termination of this MoU will not affect any contracts or arrangements concluded under this MoU, unless otherwise agreed by the Participants.

10.5 The Participants will continue to observe the obligations arising from the provisions of Sections 4 and 5 of this MoU even after the termination of this MoU.

Signed in two original copies in the English language.

For the Ministry of Defence  
of Montenegro



Name: Filip Adžić  
Title: Acting MINISTER  
OF DEFENCE  
Place: Podgorica  
Date: 31 MARCH 2023

For the Ministry of Defence  
of the Italian Republic

Name: 

Title:

Place:

Date: