

(b) to control the level of stocks held by each country on the Continent of the types of armaments mentioned in the following paragraph. This control shall extend to production and imports to the extent required to make the control of stocks effective.

2. The types of armament to be controlled under 1 (b) above shall be:—

(a) weapons in categories I, II and III listed in Annex II to Article 107 of the EDC Treaty;

(b) weapons in the other categories listed in Annex II to Article 107 of the EDC Treaty;

(c) a list of major weapons taken from Annex I to the same Article, to be established hereafter by an expert working group.

Measures will be taken to exclude from control materials and products in the above lists for civil use.

3. As regards the weapons referred to under paragraph 2 (a) above, when the countries which have not given up the right to produce them have passed the experimental stage and start effective production, the level of stocks that they will be allowed to hold on the Continent shall be decided by the Brussels Treaty Council by a majority vote.

4. The continental members of the Brussels Treaty Organization agree not to build up stocks nor to produce the armaments mentioned in paragraph 2 (b) and (c) beyond the limits required (a) for the equipment of their forces, taking into account any imports including external aid, and (b) for export.

5. The requirements for their NATO forces shall be established on the basis of the results of the Annual Review and the recommendations of the NATO military authorities.

6. For forces remaining under national control, the level of stocks must correspond to the size and mission of those forces. That level shall be notified to the Agency.

7. All imports or exports of the controlled arms will be notified to the Agency.

8. The Agency will operate through the collation and examination of statistical and budgetary data. It will undertake test checks and will make such visits and inspections as may be required to fulfil its functions as defined in paragraph 1 above.

9. The basic rules of procedure for the Agency shall be laid down in a Protocol to the Brussels Treaty.

10. If the Agency finds that the prohibitions are not being observed, or that the appropriate level of stocks is being exceeded, it will so inform the Brussels Council.

11. The Agency will report and be responsible to the Brussels Council which will take its decisions by a majority vote on questions submitted by the Agency.

12. The Brussels Council will make an Annual Report on its activities concerning the control of armaments to the Delegates of the Brussels Treaty Powers to the Consultative Assembly of the Council of Europe.

13. The Governments of the United States of America and Canada will notify the Brussels Treaty Organization of the military aid to be distributed to the continental members of that Organization. The Organization may make written observations.