



Iceland Infrastructure

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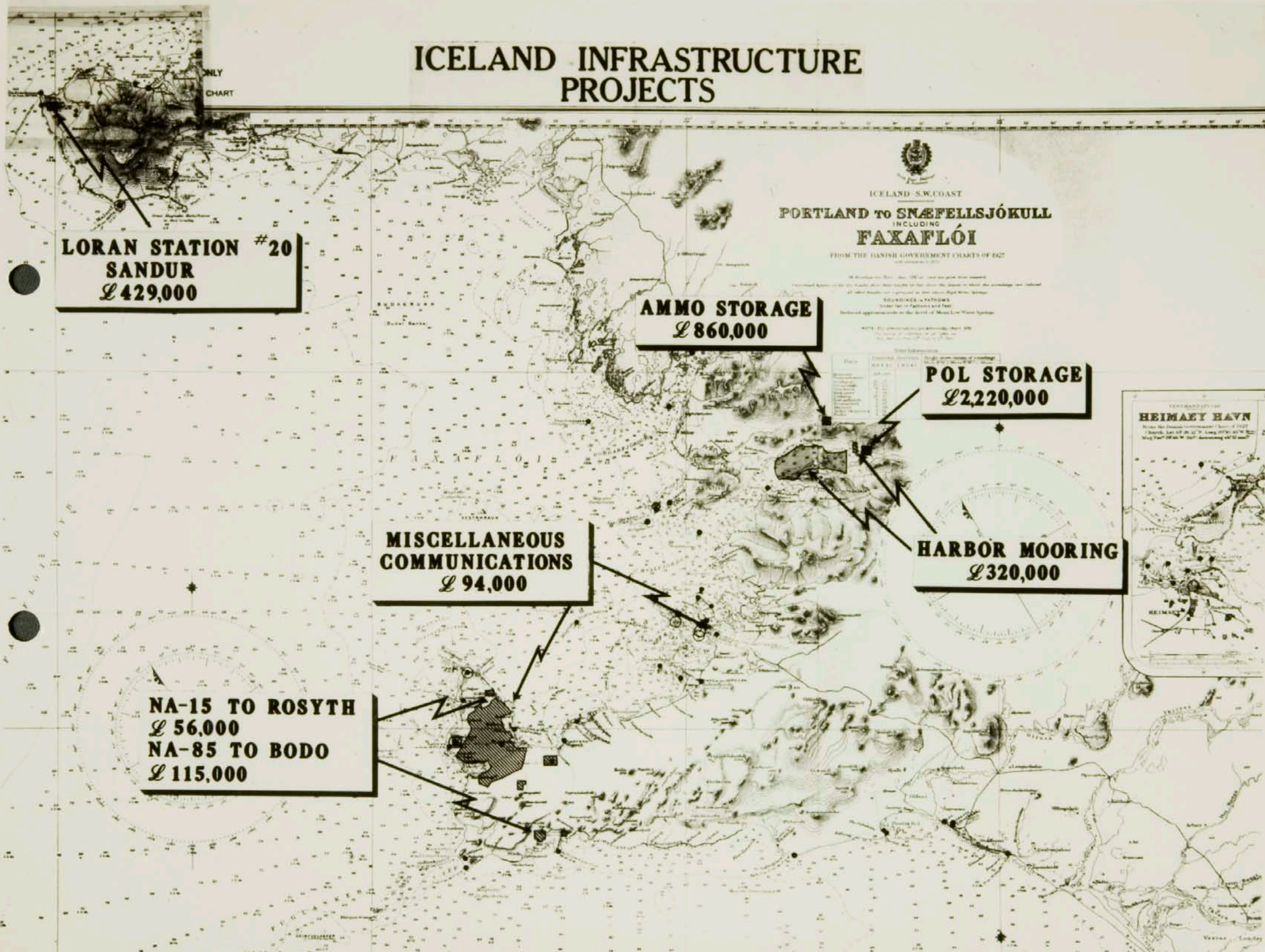
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ICELAND INFRASTRUCTURE PROJECTS



LORAN STATION #20
SANDUR
 £ 429,000

AMMO STORAGE
 £ 860,000

POL STORAGE
 £ 2,220,000

HARBOR MOORING
 £ 320,000

MISCELLANEOUS COMMUNICATIONS
 £ 94,000

NA-15 TO ROSYTH
 £ 56,000
NA-85 TO BODO
 £ 115,000



NATO SECRET

PROPOSED ICELAND INFRASTRUCTURE

1. The NATO Common Infrastructure projects for Iceland are an Ammunition Storage, Fuel Storage and Mooring Buoys. It is intended that the three projects be located in the vicinity of Hvaljördhur, as shown in the attached map.

2. These three Naval Fleet Facilities were originally programmed for construction in Iceland in the 1958 program at a cost of 9.6 million pounds. However, due to delays in acceptance and approval they were deleted from the program in February 1960 to finance other NATO projects. The projects were reduced to one-third of their original capacity and reprogrammed in the 1961 program in September 1960.

3. These Fleet Facilities are required to support the Striking Fleet when deployed in the Norwegian Sea, to support convoy escorts and local defense forces and for support of the anti-submarine carrier group. The strategic importance of these projects to NATO can be realized from the fact that without them, vital fleet operations in the Norwegian Sea and Iceland area would have to be curtailed and other remote replenishment facilities in the North American Continent would have to be utilized with consequent delays.

4. The capacities and estimated cost of these projects are as follows:

<u>Project</u>	<u>Capacity</u>	<u>Cost (£)</u>
Fuel Storage	52,250 m ³	2,100,000
*Ammunition Storage	4,000 m ²	800,000
Moorings	12	310,000

*Conventional Ammunition.

5. Current plans for the fuel storage are that it will be constructed adjacent to the existing national storage and designed to be semi-buried and covered. A jetty is required that will meet the needs of both the fuel and ammunition handling requirements. Other augmentation items included heating facilities for tanks, pipelines, pump station, electrical power station, security facilities, internal communications, internal roads and utilities as necessary.

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6. The ammunition Storage requirements are for magazines which will be covered and blast proof with additional storage (inert) for handling equipment and tools. The ammunition depot is to be equipped with necessary crane facilities for loading and off-loading ammunition and must have access to the jetty. In addition, fire fighting equipment, internal roads and utilities will be provided. The ammunition storage will be semi-buried with reinforced concrete chambers. All ammunition is for the conventional type.

7. The Fleet Moorings would provide mooring facilities for carriers, supply ships and smaller vessels.

8. At such time as Icelandic authorities accept these projects, the Supreme Allied Commander Atlantic will request the United States to accept the Host Nation role for administering the design and construction of the projects. At the same time the United States will be requested to extend the current Memorandum of Understanding, dated 6 November 1959, between Icelandic and United States authorities, to include the three additional projects. This memorandum of understanding governs the agreed responsibilities between Iceland and the United States in executing required construction. The memorandum originally covered only the LORAN station but was later extended to include the two radio stations identified on the chart as NA-15 and NA-85.

9. The cost of design and construction will be borne by NATO common funding with Iceland providing the required land. The projects undoubtedly will be exempt from International Competitive Bidding.

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The Icelandic Government agrees to an appropriation being granted from the Infrastructure budget of NATO for the year 1963 for the construction near Hvalfjörður of petroleum storage facilities and associated ship moorings designated as projects, serials 4 and 6, in the 1961 Infrastructure Program of the Supreme Allied Commander Atlantic. It is understood that the Government of the United States of America shall assume normal host country responsibilities in connection with the establishment of these facilities under the Infrastructure Program of the North Atlantic Treaty Organisation.

Before the construction work in Hvalfjörður is begun a special agreement will have to be made with the Government of Iceland as has formerly been done in cases of agreements concerning Infrastructure works in Iceland, and with further consideration on the facts that the projected facilities are in effect a replacement and modernization of the existing facilities in Hvalfjörður now being utilized by the Iceland Defense Forces and that the Infrastructure facilities in Hvalfjörður will serve the same purpose as the present facilities, that is, they will not be a naval operating base but will rather constitute a reserve or contingency installation for use in time of

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war or near-war. It is therefore anticipated that if occasional visits of ships are found to be desirable, these visits will be, as are current visits, for purposes such as transporting equipment, rotating fuel stock, etc.

The provisions of the Defense Agreement of May 8th 1951 shall be applied for the Infrastructure constructions in Hvalfjörður, as appropriate in each instance, and all sailings in connection with the above mentioned facilities and their use are subject to the provisions of Article 6 in the General Annex.

ARTICLE 6 OF THE GENERAL ANNEX OF THE DEFENCE AGREEMENT.

The United States, under such conditions as may be agreed upon, may employ and use public utilities, services and transportation and communication facilities in Iceland as may be necessary in connection with operations under this Agreement.