



I.P.R. F.T.T. Member State *de jure*
of the United Nations

International Provisional Representative of the
FREE TERRITORY OF TRIESTE

Rappresentanza Internazionale Provvisoria del Territorio Libero di Trieste
Začasno Mednarodno Predstavništvo Svobodnega Tržaškega Ozemlja
Provisorische Internationale Vertretung des Freien Territoriums Triest

SG/2019/03/09-en

26 March 2019

**To Mr. President of the Council of Ministers
of the Italian Government**
Giuseppe Conte

And, for information:

to Mr. President of the Italian Republic
Sergio Mattarella

to the Ambassador of the People's Republic of China in Italy
His Excellency Li Ruiyu

Mr. President of the Council of Ministers,

on March 11th, 2019, exercising the roles delegated to it, this Representative has sent to the Italian Government an official protest note, SG/2019/03/01-en, regarding the inclusion of the international Free Port and in the customs port of Trieste in negotiations between the Italian Republic and the People's Republic of China.

Therefore, this Representative had to invite the Italian Government to leave Trieste out of these negotiations, to comply with the international obligations to appoint the legitimate Director of the Free Port in place of the current illegitimate Italian Port Authority, and to not hamper the setting up of the legitimate International Commission of the Free Port.

In case of failure, this Representative reserved the right to enforce all needed legal and political-diplomatic protections for the rights of the present-day Free Territory of Trieste, the temporary civil administration of which is sub-entrusted to the Italian Government by the Governments of the United States and of the United Kingdom for their role of primary administering Governments on behalf of the UN Security Council.

The previous note is updated and integrated as follow.

On March 23rd, in Rome, the Government of the Italian Republic signed a Memorandum of Understanding on bilateral practical cooperation with the Government of the People's Republic of China as part of the "Belt and Road" Initiative, which does especially cover transports, logistics, and infrastructures – including ports, railroads, and roads – but also energy and telecommunications, including also public and private investments and financial holdings, as well as public tenders and concessions.

This Memorandum of Understanding is drafted as a bilateral declaration of intent that states the will of the contracting parties to cooperate establishing the matters and legal limits of all practical agreements that are to follow from that.

Indeed, both Parties declare that said bilateral Memorandum of Understanding does not constitute an international agreement which may lead to right and obligations under international law, or to legal or financial obligations or commitments of the Parties; also, the MoU is to be interpreted in accordance with the legislations of the Parties, as well as with

applicable international law and, as for the Italian Party, with the obligations arising from its membership of the European Union.

It is therefore clear that said bilateral Memorandum of Understanding, as well as the practical bilateral agreements there are to derive from it, cannot, by any mean, legitimately involve or affect third parties, and also, the same agreements cannot be concluded in breach of the principles of international law or of the obligations that the contracting Parties implement and enforce within their domestic legal system.

This means, the 23 March 2019 bilateral Memorandum of Understanding between the Italian Government and the Government of the People's Republic of China cannot involve or affect the present-day Free Territory of Trieste, over which the Italian Government exercises a special trusteeship mandate, sub-entrusted to it by the Governments of the United States and of the United Kingdom in their role of primary administering Governments under the multilateral 1947 Treaty of Peace with Italy, of which both China and Italy itself are signatory Parties.

However, this Representative must protest because the legal limits of the bilateral Italy-China MoU were immediately violated by an agreement signed right afterwards by an officer in charge of the temporary civil administration of the present-day Free Territory of Trieste, sub-entrusted to the Italian Government.

Indeed, that agreement regards the development and control of railroads of the international Free Port and of the customs port of the present-day Free Territory of Trieste, and it was signed between China Communications Construction Company Ltd and Mr. Zeno D'Agostino, the President of the current Italian Port Authority in Trieste who, for his role, cannot not be unaware that such an agreement is illegitimate and deceptive.

That matter cannot be included in agreements of this level and nature, because the ownership and the management of the railroads of the present-day Free Territory of Trieste and of its international Free Port – as well as the supply of energy and telecommunications – are established, regulated, and bound by specific articles of Annexes VIII, IX and X of the 1947 Treaty of Peace with Italy.

Furthermore, Mr. D'Agostino is not entitled to sign those agreements, because the current Italian Port Authority in Trieste is a temporary, illegitimate body that is provisionally acting in place of the legitimate Director of the Free Port, who is established at art. 18 of Annex VIII of the 1947 Treaty of Peace, which the administering Italian Government is bound to enforce under art. 5 of the Memorandum of Understanding regarding the Free Territory of Trieste signed at London on 5 October 1954.

This means that Mr. D'Agostino not only had no legal power to draft that agreement, and lacks the authority to enforce it, but also that, as an officer of the sub-administering Italian Government, he has the legal obligation to prevent any State from taking over port areas or railroads that belong to the present-day Free Territory of Trieste and to its international Free Port.

However, with the aforementioned agreement, Mr. D'Agostino would allow P.R.C. State investors to gain control of the railroads that are necessary to develop the international Free Port and custom port areas that the same P.R.C. State investors are trying to take over by purchasing quotas and assets of private companies to which Mr. D'Agostino himself grants or is promising long-terms concessions under Italian law, thus in breach of the legal order of the Free Territory of Trieste.

Under this respect, we notice that the agreement on railroads drafted and signed by Mr. D'Agostino envisions final agreements be enforced within 90 days, a term that seems to

coincide with the P.R.C. State investors' purchase of quotas and assets from private companies that are already enjoying port concessions.

Mr. D'Agostino is also the President of COSELAG consortium, which is about to sell to the same P.R.C. State investors a relevant part of the industrial areas needed to build two new rail hubs, which would therefore belong to them.

Furthermore, we have already reported in our March 11th note that, since 2015, the current President of the illegitimate Italian Port Authority in Trieste, Mr. D'Agostino, is supporting a fraud worth billion of EUR that aims at deactivating the Northern sector of the international Free Port and at selling its areas on the real estate market through the Municipality of Trieste, giving raise to further violations of the international obligations established under the 1947 Treaty of Peace with Italy.

That fraud is also carried out with illegal operations in the Northern Free Port, openly committed by the Mayor of Trieste, Roberto Dipiazza, with the support of Mr. D'Agostino himself who, as President of the Port Authority, has the legal obligation to prevent them. The damages caused by the illegal operations of Mayor Dipiazza amount to several million EUR.

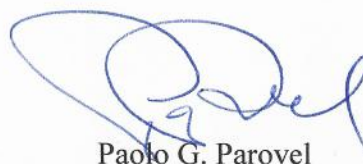
In facts, the fraud against the Northern Free Port is organized and committed by a local system of corruption that so far enjoyed the active and passive protection of political and judicial bodies that, in Trieste, exercise the temporary civil administration sub-entrusted to the Italian Government, and therefore, in breach not only of that special trusteeship mandate, but also in breach of the rights of all States over the international Free Port of the Free Territory of Trieste.

Allow us, Mr. President of the Italian Council of Ministers, to notice that the state of public illegality and public damage that this state of things caused in the administered Free Territory is unprecedented, even in the Italian regions most affected by corruption.

This is why this Representative has the duty to immediately express You its protest for the facts described above, and to once again invite the Italian Government to promptly adopt all measures needed to fully re-establish the rule of law in the present-day Free Territory it administers, and in the management of the international Free Port and of the customs port of Trieste, in the interest of all States.

Otherwise, exercising the roles delegated to it, this Representative must enforce all necessary legal and political-diplomatic defenses to re-establish law and order, as well as international obligations and the roles of present-day Free Territory of Trieste in the strategic Euro-Atlantic balances.

Please accept, Mr. President of the Italian Council of Ministers, the assurances of our highest consideration.



Paolo G. Parovel
I.P.R. F.T.T. Secretary General