

**MEMORANDUM OF UNDERSTANDING BETWEEN THE GOVERNMENT OF THE
FEDERATIVE REPUBLIC OF BRAZIL AND THE GOVERNMENT OF THE UNITED
STATES OF AMERICA FOR THE IMPLEMENTATION OF TECHNICAL COOPERATION
ACTIVITIES IN THIRD COUNTRIES**

The Government of the Federative Republic of Brazil

and

The Government of the United States of America
(hereinafter referred to as the "Governments"),

Considering that:

Brazil and the United States have a long term partnership on technical cooperation established by the Agreement relating to Technical Cooperation, effected by exchange of notes and entered into force on December 19, 1950, as amended;

Brazil and the United States have entered into an Agreement relating to Cooperation in Science and Technology, signed at Brasilia on February 6, 1984, and entered into force on May 15, 1986, as amended and extended;

The Governments of the two countries have implemented many initiatives over the last two years to strengthen and expand such cooperation;

Both Governments wish to strengthen their cooperation to foster economic development, improved health care and greater social inclusion in targeted countries that face the greatest challenges from poverty, as measured by world development indicators;

Cooperation between both Governments to foster development, including that within the framework of the Memorandum of Understanding Between Brazil and the United States to Advance Cooperation on Biofuels signed on March 9, 2007, to date has produced positive and promising results in Caribbean and Central American countries, and is expected to begin soon in African countries;

Both Governments anticipate that further coordination and harmonization of development assistance activities under way by each Government will lead to greater efficiencies and better results;

In the Agreed Minutes of the Third Meeting of the Economic Partnership Dialogue between the Brazilian Ministry of External Relations and the U.S. Department of State, held in Brasilia on October 29 and 30, 2008, both Governments stressed the strong shared interest in establishing modes of joint cooperation to foster development in third countries and with the participation of their governments ("trilateral cooperation");

Therefore, both Governments have reached the following understandings:

Section I – Purpose and Designations

1. The intent of this Memorandum of Understanding (hereinafter referred to as "MOU") is to establish guidelines under which Brazil and the United States may select countries for trilateral cooperation by mutual concurrence, and may promote economic and social advances in such countries in the sectors which can benefit from such cooperation, by means of a coordinated use of the financial, technological and human resources of both Governments.

2. This MOU does not impose targets for actions for the two Governments, with each being free to suggest cooperation projects or coordination of activities whenever deemed necessary or appropriate.

3. In order to carry out the cooperation activities provided for in this MOU, the Governments hereby designate:

a) Brazilian Cooperation Agency (ABC-Agência Brasileira de Cooperação) of the Brazilian Ministry of External Relations; and

b) United States Agency for International Development (USAID);

both of which are hereinafter referred to as the "Agencies".

Section II – Activities

1. The Governments, making full use of the best practices of the Agencies in implementing trilateral development cooperation, will implement jointly and in coordination with the governments of selected beneficiary countries, primarily but not restricted to African countries and Haiti, cooperation activities based on the proposals presented by each Government and consistent with the geographic and sectoral priorities of the Agencies.

2. The activities may encompass:

a) preparation of sector-specific studies necessary to formulate projects;

b) sending technical specialists from both countries to develop proposals, provide technical cooperation, training and education, and monitor project delivery and assess results;

c) training of technical specialists from third countries in Brazil and/or the United States with support from both countries; and

d) other forms of cooperation, as mutually determined by the Agencies.

3. For any activity within the scope of this Memorandum of Understanding, the Governments will prepare a project plan, within which there should be a detailed budget specifying the manner in which costs will be divided among the participating countries.

Section III – Funding

1. The cooperation activities implemented under this Memorandum of Understanding will be co-funded by the United States and Brazilian Governments. The share of the funding for which the Governments intend to be responsible will be determined jointly and reflected in the mutually determined budget for each particular activity or project, for which the Brazilian Government will contribute up to 30% of the overall budget through any combination of cash or in-kind contributions, such as staff and official salaries and services.

2. In order to provide the in-kind assistance described above, the Governments will decide the methods of funding on a project-by-project basis, consistent with each Government's internal procedures. All activities of the Governments under this Memorandum of Understanding are subject to the availability of funds and to further agreements or arrangements between the Governments and appropriate public and private parties, regarding the provision of in-kind assistance. This Memorandum of Understanding is not intended to effect a commitment or obligation of specific funds by the Governments. Each Government will carry out the assistance it intends to provide pursuant to its domestic laws, international law, and to the extent not inconsistent with the foregoing, with the laws of the recipient nations.

Section IV – Steering Committee

1. The project implementation will be jointly planned and coordinated by a Steering Committee comprising representatives selected by the Agencies.

2. At the request of either Government, representatives of the two Agencies will meet to monitor project status, resolve problems, explore new opportunities or cooperation requests, or for any other reason.

Section V – Monitoring and Assessment

The Governments may carry out monitoring and assessment by means of sending joint or separate missions to the beneficiary countries. Each Government retains the ability to carry out its own internal supervision and oversight of the project. The results of such investigations will always be reported to both Agencies.

Section VI – Publicity

1. The Governments intend to cooperate to give appropriate mutual publicity to the cooperation provided and will request the recipient country's government to provide publicity acknowledging the governments' individual and joint contributions in equal dimensions. Both Agencies will retain the discretion to use their own logos, markings or other means of publicizing each Agency's contribution, in equal dimensions.

2. Published reports or any other aspects of public release of information about technical cooperation activities resulting from this MOU will be approved in advance by both Agencies and should present, in equal dimensions, the official symbols of the Brazilian Cooperation Agency (ABC) and the United States Agency for International Development (USAID).

3. Any infrastructure or commodities provided to beneficiary countries within the framework of this MOU should display in equal dimensions the national symbols of Agencies and/or Brazil and the United States (i.e. flags, etc.).

Section VII – Authorized Representatives

The Governments will be represented by those holding or acting in the offices held by the signatories to this MOU. Each Government may, by written notice to the other, identify additional representatives authorized to represent that Government for all purposes other than executing modifications to this MOU. Each Government may notify the other, in writing, of changes in its authorized representatives.

Section VIII – Modifications

This MOU may be modified in writing by the two Governments through diplomatic channels.

Section IX – Dispute Settlement

Any differences that may arise concerning the interpretation and/or application of this MOU will be resolved through diplomatic channels.

Section X – Rights and Obligations

This MOU does not create rights or obligations for the Governments under international law.

Section XI – Discontinuation

Either Government may suspend or discontinue this MOU, but will endeavor to provide at least six months advance notice to the other Government of its intention to do so. Discontinuation of this MOU will discontinue any responsibilities of Governments to provide financial or other resources to implement projects or activities mutually determined under this MOU, except for payments which each Government may be committed to make pursuant to noncancellable commitments entered into with third parties prior to the discontinuation of this MOU.

Section XII – Signature and Commencement

This MOU is effective upon signature.

Signed at Brasília, in duplicate, this 3rd day of March, 2010, in the Portuguese and English languages, both texts being equally valid.