

MEMORANDUM OF UNDERSTANDING ON COOPERATION WITH RESPECT TO TOBACCO PRODUCTS BETWEEN THE ALCOHOL AND TOBACCO TAX AND TRADE BUREAU OF THE UNITED STATES DEPARTMENT OF THE TREASURY AND THE NATIONAL HEALTH SURVEILLANCE AGENCY OF THE FEDERATIVE REPUBLIC OF BRAZIL

To establish a consistent channel for information exchange regarding the import and export of tobacco products and to strengthen cooperation in developing technical methodologies to support regulatory enforcement efforts, the Alcohol and Tobacco Tax and Trade Bureau (TTB) of the United States Department of the Treasury and the National Health Surveillance Agency (Anvisa), Federative Republic of Brazil (hereinafter referred to as "the Participants"), intend to enter into this Memorandum of Understanding (MOU).

Section 1

The Participants intend to establish a consultative process to strengthen cooperation in information exchange regarding the import and export of tobacco products, and in the administration of tobacco product regulation within their fields of competence. Through this process, the Participants intend to enhance bilateral cooperation consistent with international trade obligations, including, but not limited to, the Marrakesh Agreement Establishing the World Trade Organization.

Section 2

The Participants intend to establish consultative and collaborative processes to exchange information with regard to the identity, and the regulatory compliance, of imported and exported tobacco products. Through these exchanges, the Participants intend to lay the foundation for further discussions to improve cooperation and enhance transparency of regulations on tobacco products.

The Participants intend to strengthen cooperation as follows:

- 1) Exchange information through timely notifications regarding changes to the laws, regulations, policies, and procedures affecting the import and export trade and regulation of tobacco products insofar as such changes relate to each Participant's jurisdiction over such matters. When problems are identified during the import process, the Participants intend to make all efforts to resolve the issue through immediate information exchange and cooperative consultation via the points of contact listed in Annex 1 and in conjunction with any other applicable regulatory agency. The contact points intend to ensure that action is taken to examine the issue and that a response to the inquiry or information provided is handled in a timely manner. The contact points serve as the primary conduits for information exchange and cooperative consultation between the two Participants with respect to this MOU.
- 2) Develop bilateral training and seminars for the Participant's regulatory, technical, and scientific staff, and, where appropriate, for officials of other relevant regulatory agency.
- 3) Exchange information with a view to developing cooperative laboratory testing procedures for tobacco classification and compliance determinations, emphasizing the use of AOAC International (previously known as the Association of Official Analytical Chemists) and AOAC

equivalent methods. The Participants intend to develop additional technical research, as necessary, based on the process of ongoing cooperative efforts and mutually identified needs.

Section 3

Where applicable, a Participant that discloses information to the other Participant may indicate that information being shared is sensitive and nonpublic, including by designations such as "controlled unclassified information," "sensitive but unclassified," "law enforcement sensitive," or "for official use only." In this circumstance, the Participant that receives such information is to handle the information in the same way it would handle similar information within its organization. Before disclosing such information outside its government, the receiving Participant is to give notice to, and seek the consent of, the disclosing Participant. This MOU does not contemplate the Participants sharing any information that is classified for national security reasons.

Any exchange of information between the Participants is to be subject to their respective laws and is to take place in accordance with the provisions of this MOU. This MOU is not intended to affect the disclosure requirements or privacy rights under the laws of the Participants' respective countries.

Section 4

Any cooperative activities carried out under this MOU are to be based on available resources. The Participants intend to fund their own respective participation in activities carried out under this MOU, unless they make other arrangements.

Section 5

In carrying out all of the above activities under this MOU, the Participants intend to employ friendly consultations to resolve issues that may arise. The Participants may modify this MOU upon their mutual consent.

Section 6

Either Participant may discontinue this MOU at any time upon written notification to the other Participant. Cooperative activities under this MOU should cease 90 days after the receipt of a Participant's written notice of its intent to discontinue its participation.

Section 7

This MOU is signed in duplicate at Rio de Janeiro on August 13, 2012 in both Portuguese and English.

Alcohol and Tobacco Tax and Trade Bureau
Department of the Treasury
United States of America

National Health Surveillance Agency
Federative Republic of Brazil