

No. 5515

**UNITED STATES OF AMERICA
and
BRAZIL**

Exchange of notes constituting an agreement relating to a grant for procurement of nuclear research and training equipment and materials. Rio de Janeiro, 20 October 1959 and 27 February 1960

Official texts: English and Portuguese.

Registered by the United States of America on 6 January 1961.

**ÉTATS-UNIS D'AMÉRIQUE
et
BRÉSIL**

Échange de notes constituant un accord relatif à l'octroi d'un don en vue de l'acquisition de matériel et de matières pour la recherche et la formation nucléaires. Rio de Janeiro, 20 octobre 1959 et 27 février 1960

Textes officiels anglais et portugais.

Enregistré par les États-Unis d'Amérique le 6 janvier 1961.

No. 5515. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND BRAZIL RELATING TO A GRANT FOR PROCUREMENT OF NUCLEAR RESEARCH AND TRAINING EQUIPMENT AND MATERIALS. RIO DE JANEIRO, 20 OCTOBER 1959 AND 27 FEBRUARY 1960

I

The American Ambassador to the Brazilian Minister of State for Foreign Affairs

EMBASSY OF THE UNITED STATES OF AMERICA

No. 263

Rio de Janeiro, October 20, 1959

Excellency :

I have the honor to refer to the note from the Ministry of Foreign Affairs dated June 27, 1959,² concerning a possible grant to the Government of the United States of Brazil to assist in the acquisition of a sub-critical assembly for the Aeronautical Institute of Technology, and to inform Your Excellency's Government that approval of a grant for this purpose has now been given.

I now have the honor to propose the following understandings on the basis of which funds are to be furnished :

1. The equipment and materials to be acquired in accordance with this note shall be used for peaceful purposes only.

2. The Brazilian Government shall procure, or arrange for procurement of, all equipment and materials to be financed hereunder, and shall meet the costs of transportation, insurance while in transit, installation, and operation of this equipment and material.

3. The Brazilian Government shall insure that 50 percent of the gross tonnage of equipment and materials financed hereunder which may be transported on ocean vessels shall be transported on United States-flag vessels, to the extent such vessels are available at fair and reasonable rates for United States-flag commercial vessels.

4. Funds granted by the Government of the United States shall be available only to purchase such equipment and materials, or their equivalents, and in amounts not in excess of such prices, as may be established by the United States Atomic Energy Commission. Any difference between the amount established by the Commission and the actual cost may not be applied toward purchase of other items.

5. The manner and procedures for reimbursement to the Brazilian Government for procurement of equipment and materials as provided in this note shall be established by the United States Atomic Energy Commission and notified to the Brazilian Government.

¹ Came into force on 27 February 1960 by the exchange of the said notes.

² Not printed by the Department of State of the United States of America.

6. Copies of technical publications deriving from use of equipment and materials financed hereunder will be provided currently to the Government of the United States, and an appropriate plaque acknowledging the assistance of the Government of the United States will be permanently displayed in the laboratory in which the equipment and materials financed hereunder are located.

7. The Brazilian Government shall indemnify and save harmless the Government of the United States against any and all liabilities from any cause whatsoever, including third party liability, which may result from the operation or use of any equipment and materials furnished hereunder.

If these understandings are acceptable to Your Excellency's Government, this note and Your Excellency's reply concurring therein shall constitute an agreement between our two Governments, which shall enter into force on the date of Your Excellency's reply.

Accept, Excellency, the renewed assurances of my highest consideration.

John M. CABOT

His Excellency Horácio Lafer
Minister of State for Foreign Affairs
Republic of the United States of Brazil

II

The American Embassy to the Brazilian Ministry of Foreign Affairs

EMBASSY OF THE UNITED STATES OF AMERICA

MEMORANDUM

(With reference to Paragraph 5 of the Embassy's Note No. 263 dated October 20, 1959)

Requests for payment by the Government of Brazil may be made when items are received by Brazil or its agent from the manufacturer or supplier. In order to eliminate excessive administrative detail, it is hoped that requests for payment will be made in aggregate amounts of not less than \$5,000. Should this procedure create difficulties for the Government of Brazil, consideration will be given to making payments in smaller amounts. The request for payment should be supported by a certification by Brazil that the item meets specifications as indicated by the sample models shown on the equipment list¹ and that the item and price are acceptable, and by a copy of the vendor's invoice or similar document. Requests for payment should be forwarded to the Technical Facilities and Training Branch, Division of International Affairs, U.S. Atomic

¹ Not printed by the Department of State of the United States of America.

Energy Commission, Washington 25, D. C. Payment will be made on a government to government basis in United States dollars.

Enclosures :

Three copies of *Nuclear Energy Equipment Grant . . .*¹

Embassy of the United States of America
Rio de Janeiro, October 20, 1959

III

The Brazilian Minister of State for Foreign Affairs to the American Ambassador

[PORTUGUESE TEXT — TEXTE PORTUGAIS]

MINISTERIO DAS RELAÇÕES EXTERIORES
RIO DE JANEIRO

503.06
DOr/DPo/DAm/DAI/30/563.80

Em 27 de fevereiro de 1960

Senhor Embaixador,

Tenho a honra de acusar recebimento da nota nº 263, de 20 de outubro de 1959, relativa à prestação de assistência pelo Governo dos Estados Unidos da América ao Governo do Brasil, sob a forma do fornecimento de um conjunto sub-crítico destinado ao Instituto Técnico de Aeronáutica, pela qual Vossa Excelência propõe ao Governo brasileiro um Acôrdo nos seguintes termos :

1. O equipamento e materiais a serem adquiridos por fôrça desta nota serão usados exclusivamente para fins pacíficos.

2. O Governo brasileiro obterá ou fará obter todo o equipamento e materiais financiados nos termos dêste acôrdo e terá a seu cargo as despesas de transporte, seguro durante trânsito, instalação e operação dos referidos equipamentos e materiais.

3. O Governo brasileiro garantirá que 50% (cinquenta por cento) da tonelagem bruta do equipamento e materiais financiados conforme êste acôrdo, que possam ser transportados por via marítima, serão embarcados em navios de bandeira americana, uma vez que haja tais navios disponíveis a fretes justos e razoáveis para navios comerciais de bandeira americana.

4. Os fundos concedidos pelo Governo dos Estados Unidos serão reservados exclusivamente à compra de equipamentos e materiais, ou seus equivalentes, e em quantias que não excedam os preços que venham a ser estabelecidos pela Comissão de Energia Atômica dos Estados Unidos. Qualquer diferença entre as quantias estabelecidas pela Comissão de Energia Atômica e os custos reais não poderá ser aplicada na compra de outros itens.

¹ Not printed by the Department of State of the United States of America.

[TRANSLATION¹ — TRADUCTION²]

MINISTRY OF FOREIGN AFFAIRS
RIO DE JANEIRO

503.06
DOr/DPo/DAm/DAI/30/563.80

February 27, 1960

Mr. Ambassador :

I have the honor to acknowledge receipt of note No. 263 dated October 20, 1959, relating to the granting of assistance by the Government of the United States of America to the Government of Brazil in the form of furnishing a sub-critical assembly for the Technical Institute of Aeronautics, whereby Your Excellency proposes to the Brazilian Government an agreement in the following terms :

[*See note I*]

2. I also acknowledge receipt of the Memorandum of the same date, which, with reference to item 5 of the note in question, specifies that :

[*See note II*]

3. In reply, I inform Your Excellency that the Brazilian Government concurs in the terms transcribed above and considers this note, together with that of Your Excellency and the Memorandum to which I referred, as constituting an agreement on the matter, to enter into force on this date.

I avail myself of the opportunity to renew to Your Excellency the assurances of my highest consideration.

In the name of the Minister of State :
Fernando RAMOS DE ALENCAR

His Excellency John M. Cabot
Ambassador of the United States of America

¹ Translation by the Government of the United States of America.

² Traduction du Gouvernement des États-Unis d'Amérique.