

No. 17199

**BRAZIL
and
BARBADOS**

**Agreement concerning joint ventures in the fishing sector
(with exchange of notes dated 11 July and 8 August
1978). Signed at Brasília on 15 February 1978**

Authentic texts: Portuguese and English.

Registered by Brazil on 21 November 1978.

**BRÉSIL
et
BARBADE**

**Accord concernant des opérations en association dans le
secteur de la pêche (avec échange de notes en date des
11 juillet et 8 août 1978). Signé à Brasília le 15 février
1978**

Textes authentiques : portugais et anglais.

Enregistré par le Brésil le 21 novembre 1978.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE FEDERATIVE REPUBLIC OF BRAZIL AND THE GOVERNMENT OF BARBADOS CONCERNING JOINT VENTURES IN THE FISHING SECTOR

The Parties to this Agreement,

Desiring to expand and strengthen the friendly relations existing between their two Governments and peoples;

Recognizing their common interest in fostering the development of their fishing sectors;

Considering the desirability of strengthening mutual cooperation particularly among developing countries of the region in order to expand trade in the fishing sector;

Taking into account the decision taken by the Brazilian Government to have Brazil's fishery resources exploited by national fishing enterprises, while allowing for the minority participation of foreign investment;

Noting the need of Brazil and Barbados, as developing countries to ensure the transfer of technology and financial resources and assure conditions for the supply of raw materials in order to accelerate the development of their respective fishing industries;

Have agreed as follows:

Article I. 1. This Agreement shall provide the framework for the establishment of joint ventures to develop fishing activities, which may take two forms:

- a) Minority participation by persons and/or companies of Barbados in the equity of a fishing company or companies already established in Brazil; or
- b) Minority participation by persons and/or companies of Barbados in the equity of a fishing company or companies to be incorporated in Brazil.

2. In all joint ventures established under this Agreement (hereinafter referred to as "the joint venture"), the Brazilian partner shall hold at least 60% of the capital and 51% of the voting shares.

3. Under this Agreement and for a transitional period boats owned by a Barbadian enterprise may be leased, in accordance with the Brazilian legislation, by a Brazilian company for the exploitation of fishery resources. The leasing contract shall provide for the sharing of the catch from the fishing operations.

4. The joint venture shall have its seat in Brazil, but may be registered in Barbados.

5. The joint venture may lease boats owned by the minority partner, in accordance with the Brazilian legislation.

Article II. Commercial contracts entered into by the joint venture with a view to carrying out its activities shall be subject to the legislation of the Party to this Agreement where such activities take place.

¹ Came into force on 11 July 1978, the date fixed by notes exchanged on 11 July and 8 August 1978 (see p. 167 of this volume).

Article III. Having in mind their common interest in preserving sea life, the Parties shall ensure that, in their fishing operations, the joint venture shall not resort to destructive practices, particularly the following:

- a) The use of equipment deemed to have a destructive effect on fish stocks, including electrical or electronic equipment;
- b) The use of chemical, toxic, or explosive substances;
- c) The jettisoning of oil and other polluting substances; and
- d) Fishing operations in breeding and spawning areas, during the periods of breeding and spawning, such areas and periods to be identified by any of the Parties and notified to the other.

Article IV. The Parties shall endeavour to ensure that the operations of the joint venture will not interfere with the activities of small scale fishermen of both countries.

Article V. The Parties shall seek to grant favourable fiscal treatment to the joint venture, as regards its activities in their respective territories. In particular, such treatment may include the exemption or suspension of taxes, under terms and conditions to be established, and the granting of the incentives provided for in their respective national legislation.

Article VI. 1. The Government of the Federative Republic of Brazil and the Government of Barbados shall cooperate in the execution of marine biological research concerning the resources exploited under this Agreement.

2. Both Parties shall meet periodically to exchange scientific data, information arising from research programmes, and on methods of catching and other matters related to fishing.

Article VII. The Government of the Federative Republic of Brazil and the Government of Barbados shall make available to the joint venture, in accordance with the legal provisions regulating that matter in their respective countries, know-how on the catching, processing and commercialization of the relevant fishery resources.

Article VIII. The Parties shall cooperate in training Brazilian personnel engaged in the activities of the joint venture, with a view to increasing the number of Brazilian nationals employed by such joint venture.

Article IX. 1. Each Party may request consultations with the other Party concerning the execution of this Agreement and the commercial contracts resulting therefrom.

2. The Parties agree to use their good offices to facilitate negotiations between enterprises of Barbados and Brazil for conducting joint ventures under this Agreement.

Article X. Any dispute concerning the implementation of this Agreement shall be settled through diplomatic channels. In case a dispute cannot be settled through such channels, it may be subject to arbitration, under conditions to be established by both Parties.

Article XI. This Agreement shall enter into force by an exchange of diplomatic notes, and the date of entry into force shall be the date of the latest note exchanged for this purpose.

Article XII. 1. Unless the Parties decide otherwise, this Agreement shall remain in force until it is denounced by either Party.

2. Such denunciation shall be effective six months after the date a Party notifies the other in writing, through diplomatic channels, of its intention to denounce this Agreement.

Pelo Governo
da República Federativa do Brasil:¹
CARLOS AUGUSTO DE PROENÇA ROSA
Ministro das Relações Exteriores
Chefe da Delegação Brasileira³

Pelo Governo
de Barbados:²
Dr. GEORGE REID
Chefe da Delegação de Barbados⁴

EXCHANGE OF NOTES

I

No. 7007/1

The Minister of External Affairs of Barbados presents his compliments to His Excellency the Minister of Foreign Affairs of the Federative Republic of Brazil and has the honour to refer to the negotiations on Joint Ventures in the Fishing Sector and transitional leasing arrangements for such ventures which took place during the month of February, 1978, in Brasília, between representatives of the Governments of Barbados and of the Federative Republic of Brazil.

The representatives of the Federative Republic of Brazil and of Barbados agreed to the annexed text of Agreement and further agreed that this Agreement would come into force through an exchange of notes on a date to be decided upon by the two Governments.

The Minister of External Affairs has the honour to propose that this Agreement on Joint Ventures in the Fishing Sector be deemed to have come into force with effect from the date of this note and would be grateful if the Minister of Foreign Affairs confirm that this date is acceptable to the Government of the Federative Republic of Brazil.

The Minister of External Affairs of Barbados avails himself of this opportunity to renew to His Excellency the Minister of Foreign Affairs of the Federative Republic of Brazil the assurances of his highest consideration.

Ministry of External Affairs, Barbados

11th July, 1978

¹ For the Government of the Federative Republic of Brazil.

² For the Government of Barbados.

³ Minister for Foreign Affairs, Head of the Brazilian Delegation.

⁴ Head of the Delegation of Barbados.

[TRANSLATION — TRADUCTION]

EMBASSY/PORT OF SPAIN/10/1978/SINGLE ANNEX

Port of Spain, 8 August 1978

No. 15

Sir,

I have the honour to acknowledge receipt of your note No. 7007/1 dated 11 July 1978 sent by the Embassy of Barbados in Caracas to the Embassy of Brazil in Caracas, the contents of which are as follows:

[*See note I*]

In reply, I have the honour to inform you that the Government of the Federative Republic of Brazil concurs in deeming 11 July 1978 as the date of entry into force of the Agreement concerning joint ventures in the fishing sector, signed in Brasília on 15 February 1978.

I take this opportunity, etc.

JOSÉ COELHO MONTEIRO
Chargé d'affaires a.i.