

No. 19793

**BRAZIL
and
FRANCE**

**Agreement on technological and industrial co-operation
with respect to coal. Signed at Paris on 30 January
1981**

Authentic texts: Portuguese and French.

Registered by Brazil on 27 May 1981.

**BRÉSIL
et
FRANCE**

**Convention sur la coopération technologique et industrielle
dans le domaine du charbon minéral. Signée à Paris le
30 janvier 1981**

Textes authentiques : portugais et français.

Enregistrée par le Brésil le 27 mai 1981.

[TRANSLATION — TRADUCTION]

AGREEMENT¹ BETWEEN THE FEDERATIVE REPUBLIC OF BRAZIL AND THE GOVERNMENT OF THE FRENCH REPUBLIC ON TECHNOLOGICAL AND INDUSTRIAL CO-OPERATION WITH RESPECT TO COAL

The Government of the Federative Republic of Brazil and the Government of the French Republic,

Bearing in mind the Agreement on Technical and Scientific Co-operation signed on 16 January 1967,²

Bearing in mind the Franco-Brazilian Protocol on Economic Co-operation with respect to Coal, of 20 May 1980,²

Bearing in mind the reciprocal advantages which will accrue from more active and more clearly defined bilateral co-operation for achieving the above-mentioned objectives,

Have decided to draw up, in a spirit of friendly co-operation, an agreement on technological and industrial co-operation with respect to coal, as follows:

Article I. The purpose of this Agreement is to contribute to the development of the energy resources of the two countries by increasing the utilization of coal on the basis of the following activities:

- a) Promoting and implementing technological and industrial co-operation between Brazilian and French industries with a view to constructing five coal-fuelled electric power units;
- b) Promoting and implementing technological and industrial co-operation between Brazilian and French industries with a view to constructing plants for the production of gas of low heat value from coal;
- c) Promoting and implementing technological and industrial co-operation between Brazilian and French industries from the prospecting stage to that of operating underground coal mines.

Article II. 1. In order to achieve the objective of this Agreement, the two Governments shall co-operate with and assist each other, constantly bearing in mind, in the course of carrying out the specified activities, their respective technical and financial capabilities.

2. For the term of this Agreement, the said co-operation and assistance shall consist of implementing specific programmes and projects.

3. The specific programmes and projects for implementing this Agreement shall be executed in accordance with provisions to be laid down in complementary agreements, concluded between enterprises of the two countries, which shall be in conformity with the legislation in force in each country and specify, in each

¹ Came into force on 30 January 1981 by signature, in accordance with article 11 (1).

² United Nations, *Treaty Series*, vol. 712, p. 187.

³ *Ibid.*, vol. 1196, No. 1-19014.

case, the degree of participation of each Contracting Party; all the foregoing shall be in conformity with the provisions of this Agreement.

4. In implementing specific programmes and projects, increasing participation by Brazilian industry shall be ensured from the outset of the said activities, at the project study and development stage, in the supply of all the equipment necessary for carrying out this Agreement and in the use of consultants or any other suppliers of services. The procedures for implementation shall be laid down in the documents referred to in the preceding paragraph.

Article III. The construction of coal-fuelled electric power units shall constitute a specific programme of 10 years' duration which shall commence on the entry into force of this Agreement and continue at the rate of one 335/350 MW unit every two years.

First paragraph. The fuel to be used shall be coal of high ash content.

Second paragraph. Participation by the Brazilian industry in the construction of these thermal power units shall increase on the following basis:

- (I) 60 per cent for the first unit;
- (II) For subsequent units, depending upon the progress of the technical capacity of Brazilian industry.

Article IV. The construction of gasification plants for producing gas of low heat value shall constitute a specific programme, the technical and economic aspects of which shall be set forth in a later complementary agreement.

Sole paragraph. The transfer of technology for the purpose of enabling a full takeover by the Brazilian enterprises shall be negotiated by the enterprises of the two countries in compliance with the legislation in force.

Article V. Under the plan for developing new coal mines drawn up by the Brazilian Government, French industry, in particular Charbonnages de France, may provide technological assistance and co-operation for the opening, installation and operation of new coal mines, with a view to transferring technology to the Brazilian enterprises.

The procedures for implementing this article shall form the subject of separate inter-enterprise complementary agreements for each operation.

Article VI. In the construction of the coal-fuelled power units and the coal gasification plants for producing gas of low heat value, and in the co-operation for developing new coal mines, the said technological and industrial co-operation, as defined in this Agreement, shall have as its ultimate objective the complete takeover by Brazilian industry at the designing, planning, manufacturing, assembling, operational and maintenance stages of the installations.

First paragraph. The transfer of technology to Brazilian industry shall be completed, in respect of the coal-fuelled power units, within a maximum of ten years, the period set for carrying out the specified co-operation in this field.

Second paragraph. The intermediate stages of the transfer of this technology shall be determined when the specific programmes and projects are formulated and established in the complementary agreements referred to in article 2, paragraph 3.

Article VII. In order to provide systematic and regular support for the technological and industrial co-operation activities carried out during the term of this Agreement, the two Governments undertake to:

- (a) Draw up, jointly and punctually, general programmes of co-operation, and take the technical, financial and administrative action essential for the successful implementation of the programmes and projects specified in the complementary agreements referred to in article 2, paragraph 3;
- (b) Take into account, during the formulation of the general programmes of co-operation, the priorities accorded by each Government to national objectives, geographical zones, sectors of activity, forms of co-operation and other national interests, in such a manner as to integrate the specific programmes and projects into regional or national planning;
- (c) Establish an appropriate procedure whereby the execution of the programmes and projects may be monitored periodically;
- (d) Agree on procedures for the periodic exchange of information on the development of technological and industrial co-operation during the term of this Agreement and of the specific complementary agreements;
- (e) Provide their respective industries with all possible support, together with information and other data for achieving the desired objectives.

Article VIII. 1. On the Brazilian side, the Minister of State for Mines and Energy shall be in charge of implementing this Agreement and shall, if necessary, appoint a representative who shall be personally responsible for monitoring its proper execution.

2. On the French side, the Minister of Industry, in conjunction with the Minister of Foreign Trade, shall be in charge of implementing this Agreement.

Article IX. Apart from the principal objective specified in article 1 of this Agreement, the Contracting Parties agree that the specified co-operation between the two Governments shall also cover the following activities:

- (a) Basic and advanced training, in Brazil and in France, of Brazilian technicians at the intermediate and higher levels, to enable them to take part in the studies, preparation and implementation of the specific programmes and projects covered in this Agreement and also to participate in the activities of the various sectors connected with the Brazilian coal sector;
- (b) Organization of seminars, series of lectures, vocational training programmes and other similar activities at places to be determined from time to time;
- (c) Granting of study scholarships to duly selected and appointed candidates of both countries, to enable them to attend advanced vocational training or specialization courses;
- (d) Organization of all other activities relevant to technological and industrial co-operation to be agreed upon between the two countries in order to achieve the objectives of this Agreement.

Article X. This Agreement and all the complementary agreements may be amended by agreement between the two Governments.

Article XI. 1. This Agreement shall enter into force on the date of its signature.

2. This Agreement may be denounced by either of the two Contracting Parties. Denunciation shall take effect six months after the date on which the Government concerned has notified the other Government, in writing, of its decision to do so.

3. Denunciation shall not affect the complementary agreements concluded between enterprises.

IN WITNESS WHEREOF, the Plenipotentiaries, authorized by their respective Governments, have signed this Arrangement.

DONE at Paris on 30 January 1981, in duplicate in the Portuguese and French languages, the two texts being equally authentic.

For the Government
of the Federative Republic
of Brazil:

[Signed]

CÉSAR CALS DE OLIVEIRA FILHO
Minister of Mines and Energy

For the Government
of the French Republic:

[Signed]

ANDRÉ GIRAUD
Minister of Industry