

**BRAZIL
and
CANADA**

Exchange of notes constituting an agreement covering a technical cooperation project to strengthen the mineral sector in Bahia State (with annex), supplementary to the Technical Cooperation Agreement. Brasília, 25 November 1987

Authentic texts: English and Portuguese.

Registered by Brazil on 12 September 1988.

**BRÉSIL
et
CANADA**

Échange de notes constituant un accord relatif à un projet de coopération technique en vue de renforcer le secteur des minerais dans l'État de Bahia (avec annexe), complémentaire à l'Accord de coopération technique. Brasília, 25 novembre 1987

Textes authentiques : anglais et portugais.

Enregistré par le Brésil le 12 septembre 1988.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN BRAZIL AND CANADA COVERING A TECHNICAL COOPERATION PROJECT TO STRENGTHEN THE MINERAL SECTOR IN BAHIA STATE, SUPPLEMENTARY TO THE TECHNICAL COOPERATION AGREEMENT²

I

CANADIAN EMBASSY

AMBASSADE DU CANADA

B-164

Excellency,

With reference to the nota verbal No. DCOPT/DCS/19/644(B46)(B10) of April 28, 1982, of the Brazilian Ministry of External Relations as well as the Technical Cooperation Agreement between the Government of Canada and the Government of the Federative Republic of Brazil of April 2, 1975,² I have the honour to propose in the name of the Government of Canada, pursuant to Article II of the above-mentioned Agreement, the following Subsidiary Agreement covering a technical cooperation project to strengthen the mineral sector in Bahia State.

Article I. NATURE OF THE SUBSIDIARY AGREEMENT

Section 1.01

This Subsidiary Agreement is made pursuant to the Technical Co-operation Agreement between Canada and Brazil dated the 2nd day of April 1975 and is intended to set out the responsibilities of the two Governments in relation to the Project.

Article II. RESPONSIBLE AUTHORITIES

Section 2.01

(a) Canada designates the Canadian International Development Agency (hereinafter called "CIDA") as the agency responsible for the fulfillment of its obligations under this Subsidiary Agreement.

(b) CIDA will designate a Canadian consulting company (hereinafter referred to as the "CEA") as the agency responsible for the execution of this Project on its behalf.

Section 2.02

Brazil designates:

(a) The Agência Brasileira de Cooperação (hereinafter referred to as "ABC") as the agency responsible for ensuring that its obligations under this Subsidiary Agreement are duly fulfilled;

¹ Came into force on 25 November 1987 by the exchange of the said notes.

² United Nations, *Treaty Series*, vol. 1020, p. 45.

(b) The Ministério das Minas e Energia (hereinafter referred to as “MME”) as the agency responsible for the coordination of the implementation of this Project; and

(c) The Secretaria das Minas e Energia of Bahia State (hereinafter referred to as “SME”) to carry out the day-to-day operation and administration of the counterpart of the Project.

Article III. THE PROJECT

Section 3.01

Canada and Brazil shall participate in a technical co-operation project aimed at assisting the mineral sector to make an increased contribution to the economy of Bahia State (hereinafter called the “Project”). The objective of the Project is to increase the capability of SME and the Bahian Company for Mineral Exploration (hereinafter referred to as “CBPM”) to plan and execute all aspects of mineral exploration programs and of the Federal University of Bahia (hereinafter referred to as “UFBa”) to provide relevant training in geology, and will be achieved through the execution of the following activities:

- (a) Fields visits by Brazilian geologists (including a few mining engineers) to selected Canadian mining districts and geological institutions;
- (b) The provision of specialized courses at the post-graduate level at Canadian universities;
- (c) The provision of post-doctoral fellowships at Canadian universities;
- (d) The provision of advisory services by Canadian specialists in Brazil;
- (e) The provision of essential equipment and library materials.

Section 3.02

3.02.1. The CEA will work in close cooperation with SME and the Brazilian Project Committee (consisting of officials from SME, CBPM and UFBa) to select trainees, to arrange travel and accommodation for the Brazilian trainees and Canadian specialists, to monitor the progress of the Project activities and to plan and implement the training and technical assistance activities.

3.02.2. CIDA will provide descriptive reports prepared by the CEA, to ABC, MME and SME on a semi-annual basis.

3.02.3. The CEA, SME, CIDA and ABC will carry out semi-annual reviews of the accomplishments to date.

3.02.4. The Project may be subject to an end-of-project evaluation at the discretion of CIDA, SME and ABC. The evaluation would be carried out in accordance with a procedure to be agreed upon by all Parties.

3.02.5. At the end of the Project, SME agrees to provide the CEA with a letter confirming that the Project has been completed in accordance with the provisions of this Subsidiary Agreement.

Section 3.03

This Project shall have a duration of forty-eight (48) months from the date of the signature of this Subsidiary Agreement. If at the end of that period the Project is not completed in conformity with the provisions of this Subsidiary Agreement,

it may be extended by common agreement of both Parties but will terminate, in any event, at the end of sixty (60) months.

Article IV. PLAN OF OPERATION

Section 4.01

For implementation of the Project, Canada and Brazil will develop a Plan of Operation which will contain, *inter alia*, the following:

- (a) A detailed description of the Project;
- (b) The methods and means to be used to carry out the Project;
- (c) Names of the persons responsible for carrying out the Project on behalf of Canada and Brazil;
- (d) The obligations, duties and responsibilities of Canada and Brazil together with their financial contributions;
- (e) An implementation and approximate disbursement schedule for the duration of the Project;
- (f) The periods of time over which the reviews and the evaluation mentioned in subparagraphs 3.02.3 and 3.02.4 might be performed and the means which may be used for these reviews and evaluation.

Article V. CONTRIBUTION OF CANADA

Section 5.01

The contribution of Canada shall consist of the provision of training, professional services of Canadian advisers, equipment and materials and the services of a Canadian agency for the implementation and management of the Project. The total value of Canada's contribution shall not exceed one million and five hundred thousand Canadian dollars (Cdn\$ 1,500,000).

Section 5.02

Canada will more particularly provide the following:

- (a) One hundred and thirty-six (136) person-months of training in Canada;
- (b) Eighteen (18) person-months of advisory services in Brazil;
- (c) Essential ground geophysical and laboratory equipment and library materials, as described in the list, attached hereto as Annex "A";
- (d) Facilities, equipment, materials and supplies needed for training in Canada in accordance with CIDA regulations;
- (e) International and local travel expenses, living allowances and other benefits for Brazilian training participants in Canada in accordance with CIDA regulations;
- (f) International travel expenses, salaries and allowances for Canadian specialists providing on-site research, training and advisory services in Brazil;
- (g) The services of the CEA to act as the executing agency for project administration, management and implementation.

Section 5.03

The Canadian contribution shall not be used to pay any taxes, fees, customs duties or any other levies or charges imposed directly or indirectly by Brazil on any equipment, materials or services purchased or acquired for, or related to the execution of the Project.

*Article VI. CONTRIBUTION OF BRAZIL**Section 6.01*

The contribution of Brazil shall consist of the provision of qualified personnel, labour, materials, facilities, equipment, services and other Project requirements. The total value of Brazil's contribution is nine hundred and twenty seven thousand Canadian dollars (Cdn\$ 927,000), to be disbursed in cruzados at the exchange rate in force on the dates of disbursement.

Section 6.02

Brazil will more particularly provide the following:

- (a) A counterpart project manager;
- (b) Salaries for SME, CBPM and UFBa employees involved in the Project or receiving training as part of the Project;
- (c) Twenty-four (24) geologists and mining engineers, inclusive of salaries, for training in Canada and any additional support deemed by SME to be required to supplement the travel and living allowances provided by CIDA in accordance with CIDA regulations;
- (d) Suitable furnished living accommodations or an accommodation allowance for the Canadian personnel working on Project activities in Brazil;
- (e) Transport in Brazil related to work assignments (including a per diem allowance for living expenses while on travel status) and to and from points of entry for Canadian specialists;
- (f) Translation services in Brazil, furnished office accommodation and other facilities necessary to enable the Canadian specialists to carry out their assignments effectively;
- (g) Any other support not specified in article V and necessary for the successful implementation of the Project, as long as both Parties have previously agreed to it.

*Article VII. INFORMATION**Section 7.01*

Each Party shall furnish to the other all such information relating to the Project as shall reasonably be requested.

*Article VIII. COMMUNICATIONS**Section 8.01*

Any communications or documents given, made or sent by either Brazil or Canada pursuant to this Subsidiary Agreement shall be in writing and shall be

deemed to have been duly given or sent to the Party to which it is addressed at the time of its delivery by hand, mail, telegram, cable or radiogram at its respective address, namely:

For Brazil:

Secretaria das Minas e Energia
Centro Administrativo da Bahia
Avenida Paralela
Salvador, BA
Brazil

For Canada:

The President
Canadian International Development Agency
c/o Canadian Embassy
SES Av. das Nações, Lote 16
70.410 Brasília, DF
Brazil

Section 8.02

All communications and documents submitted to Canada shall be in either the English or the French language, and those submitted to Brazil shall be in the English language.

Article IX. INTERPRETATION

Section 9.01

Both Parties shall forward consultations and examine any divergencies related to this Subsidiary Agreement by means of diplomatic channels.

Article X. ENTIRE UNDERSTANDING

Section 10.01

This Subsidiary Agreement together with Annex "A" which will form an integral part hereof constitutes the entire understanding between the Parties with respect to the Project.

Article XI. GENERAL PROVISIONS

Section 11.01

This Subsidiary Agreement may be amended as deemed necessary by an exchange of diplomatic notes between Canada and Brazil.

Section 11.02

The necessary budgetary, financial and administrative measures heretofore taken by Canada and Brazil shall be continued and supplemented for the purposes of bringing this Project to its full completion.

In the event that the Government of the Federative Republic of Brazil agrees with the proposals included in Article I to Article XI, I propose that this note and

the reply of Your Excellency, expressing the agreement of your Government, constitute a Subsidiary Agreement between our two Governments, to enter into force upon the date of Your Excellency's reply.

I would like to avail myself of the occasion to renew to Your Excellency the assurances of my highest consideration.

Brasília, 25 November 1987

[Signed]

JOHN P. BELL
Ambassador

His Excellency Roberto Costa de Abreu Sodré
Minister of External Relations
Brasília, DF

ANNEX A

LIST OF EQUIPMENT AND MATERIAL TO BE SUPPLIED BY CANADA

<i>Item</i>	<i>Quantity</i>	<i>Estimated cost (Canadian \$)</i>
Electromagnetometer.....	2	30,000
Induced polarization transmitters and receivers	2	70,000
Magnetic susceptibility meters.....	3	5,000
Photomicroscopes.....	2	30,000
Zeiss lights.....	—	5,000
Library books, journals, magnetic book tracers	—	20,000

II

[PORTUGUESE TEXT — TEXTE PORTUGAIS]

Em 25 de novembro de 1987

DCOPT/DCS/45/C/ETEC-L00-G08

Senhor Embaixador,

Tenho a honra de acusar recebimento da nota B-164 de 25 de novembro de 1987, cujo teor em Português é o seguinte:

“Senhor Ministro. Com referência à nota verbal n.º DCOPT/DCS/19/644(B46)(B10), datada de 28 de abril de 1982, do Ministério das Relações Exteriores do Brasil, bem como ao Acordo de Cooperação Técnica entre o Governo do Canadá e o Governo da República Federativa do Brasil, de 02 de abril de 1975, tenho a honra de propor, em nome do Governo do Canadá e nos termos do Artigo II do Acordo supramencionado, o seguinte Ajuste Com-