

No. 26140

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**BRAZIL  
and  
VENEZUELA**

**Memorandum of Understanding concerning cooperation for  
the construction of the BR-174 highway in the section  
between Boa Vista and the BV-8 marker. Signed at  
Brasília on 17 May 1988**

*Authentic texts: Portuguese and Spanish.  
Registered by Brazil on 12 September 1988.*

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**BRÉSIL  
et  
VENEZUELA**

**Mémorandum d'accord relatif à la coopération en vue de la  
construction de l'autoroute BR-174 entre Boa Vista et  
la borne BV-8. Signé à Brasília le 17 mai 1988**

*Textes authentiques : portugais et espagnol.  
Enregistré par le Brésil le 12 septembre 1988.*

## [TRANSLATION — TRADUCTION]

MEMORANDUM OF UNDERSTANDING<sup>1</sup> BETWEEN THE GOVERNMENT OF THE FEDERATIVE REPUBLIC OF BRAZIL AND THE GOVERNMENT OF THE REPUBLIC OF VENEZUELA CONCERNING COOPERATION FOR THE CONSTRUCTION OF THE BR-174 HIGHWAY IN THE SECTION BETWEEN BOA VISTA AND THE BV-8 MARKER

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

Having in mind the terms of the Agreement of friendship and co-operation between the Government of the Federative Republic of Brazil and the Government of the Republic of Venezuela, concluded at Brasília on 17 November 1977,<sup>2</sup>

Considering the "Caracas Commitment" signed on 17 October 1987 by President José Sarney and President Jaime Lusinchi, in which they instruct the competent organs of the two Governments to take immediate steps to establish mechanisms for taking full advantage of the potential offered by bilateral relations in the different sectors of the two countries' economies,

Taking into account the "Programme of Action" to be implemented by Brazil and Venezuela, as adopted on 16 October 1987, which provides for the implementation of specific forms of cooperation required to build the BR-174 Highway northward from Boa Vista to the BV-8 Marker on the border between the two countries,

Have agreed as follows:

*Article I*

The two Governments shall establish, without delay, the necessary mechanisms to permit bilateral cooperation for the construction of the BR-174 Highway between Boa Vista and the BV-8 Marker.

*Paragraph 1.* The cooperation to which this article refers concerns the joint supply of goods and services by Brazil and Venezuela for the aforesaid works.

*Paragraph 2.* Contracting civil engineering and construction services for the section of the BR-174 Highway specified above shall be effected through the formation of a consortium of Brazilian and Venezuelan firms, in the manner provided for in the two countries' domestic laws.

*Article II*

The Government of Venezuela is willing to provide financing for the cost of the works. The Government of Brazil shall reimburse the Government of Venezuela for the cost of the works by means of payment in the form of goods and

<sup>1</sup> Came into force on 17 May 1988 by signature, in accordance with article VI.

<sup>2</sup> United Nations, *Treaty Series*, vol. 1131, p. 133.

equipment of Brazilian origin and, to this end, the Parties shall provide one another with the necessary guarantees or pledges. The implementation of the mechanisms referred to in this article shall be the subject of a special agreement.

*Article III*

In accordance with the legislation in force, the two Governments shall establish through the competent organs, such mechanisms as they deem necessary to facilitate the contracting of services and the transfer of goods, equipment, materials and personnel required for the execution of the works in question.

*Article IV*

The Government of the Federative Republic of Brazil hereby designates the Minister for Transport and the Government of the Republic of Venezuela hereby designates the Minister of State, President of the Corporación Venezolana de Guayana, to implement this Memorandum of Understanding and put it into effect.

*Article V*

The commercial and financial mechanisms referred to in this Memorandum of Understanding shall be established through the diplomatic channel.

*Article VI*

This Memorandum of Understanding shall enter into force on the date of its signature.

DONE at Brasília, on 17 May 1988, in two original copies in the Portuguese and Spanish languages, both texts being equally authentic.

For the Government  
of the Federative Republic  
of Brazil:

[Signed]

ROBERTO DE ABREU SODRÉ

For the Government  
of the Republic of Venezuela:

[Signed]

GERMÁN NAVA CARRILLO