



ORGANIZACIÓN INTERNACIONAL DEL CAFÉ ORGANIZATION
ORGANIZAÇÃO INTERNACIONAL DO CAFÉ
ORGANISATION INTERNATIONALE DU CAFÉ

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**Memorandum of Understanding between
the Government of the Federative
Republic of Brazil and the International
Coffee Organization**

Background

1. This document contains a copy of a Memorandum of Understanding (MOU) between the Government of the Federative Republic of Brazil, specifically the Brazilian Agency for Cooperation (ABC), and the International Coffee Organization (ICO) for the promotion of triangular technical cooperation in coffee producing countries.
2. The MOU seeks to further the objectives of the International Coffee Agreement (ICA) 2007 by promoting international cooperation and training and information programmes to assist Members on coffee matters. The MOU also seeks to further the priority actions identified under the Strategic Action Plan (document ICC-105-19) of the ICO, which includes actions to seek finance for projects and other activities, such as training courses, that benefit Members and the world coffee economy and to encourage greater technical cooperation, particularly among producing countries, so as to enhance remuneration to producers.
3. The MOU is designed to express the intent of ABC to carry out technical cooperation activities in developing countries in cooperation with the ICO.
4. Conditions for implementation of the MOU are set forth in this document. These conditions for implementation are intended to ensure that technical cooperation activities carried out under the MOU benefit from the review and expertise of ICO members and are carried out with the full support of ICO members.

Conditions for implementation of the MOU

5. The MOU will be subject to the following conditions:
 - (a) All matters carried out under this MOU will be subject to approval by the Council.
 - (b) The Parties will identify technical cooperation activities in consultation with the ICO Council through the following procedures:
 - (i) Proposals for technical cooperation activities will be prepared by ABC in consultation with the ICO Secretariat and submitted to the Projects Committee for review and comment.
 - (ii) The Projects Committee, including as appropriate through the Virtual Screening Subcommittee, will review and provide comments on the proposed technical cooperation activities and, as the Committee decides, recommend that the Council approve the proposed technical cooperation activities.
 - (c) The ABC will provide information to the Projects Committee so as to enable the Committee to monitor and evaluate the technical cooperation activities carried out under the MOU.

Action

The Council is invited to adopt this MOU and conditions for its implementation and instruct the Executive Director to sign the MOU on behalf of the Organization.

**MEMORANDUM OF UNDERSTANDING BETWEEN THE
GOVERNMENT OF THE FEDERATIVE REPUBLIC OF BRAZIL
AND THE INTERNATIONAL COFFEE ORGANIZATION**

The Government of the Federative Republic of Brazil,

and

The International Coffee Organization

(hereinafter referred to as the 'Parties');

Recognizing the International Coffee Organization (ICO) as the main intergovernmental body responsible for addressing the challenges facing the world coffee sector through international cooperation **and recognizing the International Coffee Council as the highest authority of the ICO;**

Acknowledging the role of the Brazilian Agency for Cooperation (ABC) in providing technical cooperation and capacity-building to developing countries, through the transfer and exchange of knowledge, skills and expertise available at Brazilian institutions and organizations;

Reaffirming the commitment of both Parties to promote sustainable development ~~as a means of achieving social and economic progress~~ **in social, economic and environmental terms** in coffee producing countries;

Recalling the mandate of the Organization to alleviate poverty, promote rural development, encourage diversification, develop a sustainable coffee economy and facilitate preparation and supervision of coffee development projects;

Acknowledging that capacity-building in coffee producing countries would encourage a greater empowerment of the large number of men and women who work in the coffee sector and provide more incentives to attract youth participation for the long-term sustainability of the world coffee market;

Recognizing that South-South cooperation is one of the modalities of development cooperation with greatest potential to promote economic growth, reduce inequalities and improve living standards in developing countries;

Appreciating the significant role that the Parties can jointly play in building capacities in coffee producing countries to make a practical contribution to reducing poverty by developing and seeking finance for activities to enhance the capacity of local communities and small-scale farmers, promoting training and information programmes to assist the transfer of technology relevant to coffee, and facilitating information and services to assist producers; and

Taking into account the respective mandates, objectives and programmes of the ICO and the ABC,

HEREBY agree:

ARTICLE 1

PURPOSE

To establish a partnership programme aimed at providing technical cooperation to beneficiary coffee producing countries in coffee-related issues.

ARTICLE 2

IMPLEMENTATION

1. The Parties shall endeavour to identify and implement technical cooperation activities in coffee-related issues, subject to the provisions of the present Memorandum of Understanding, and upon request of the interested developing country or countries.
2. The specific objectives, expected results, commitments, financial and in-kind contributions for activities to be implemented under the aegis of this Memorandum of Understanding, including the monitoring and evaluation arrangements, shall be agreed upon between ABC and ICO in specific documents, signed by the Parties and the beneficiary developing country or countries.
3. In the event of a conflict between this Memorandum of Understanding and any specific documents referred to in paragraph 2, the provisions of this Memorandum of Understanding shall prevail.

4. The partnership programme ~~shall~~ **may** comprise the following areas of cooperation upon request of the interested developing country or countries:

- a) capacity-building and training initiatives, online or onsite, in Brazil or in the beneficiary country or countries, focused on strengthening the entire coffee value chain and especially by helping to improve the living standards of coffee farmers by promoting awareness of the need for a sustainable coffee economy;
- b) short-term technical cooperation from Brazilian institutions and from the ICO; and
- c) development of coffee-related activities, researches, studies and documents.

5. Within their capabilities and according to their regulations, the Parties may agree to mobilize resources to finance the activities to be jointly carried out in coffee producing countries.

6. The Parties shall consult each other on specific activities of common interest, with a view to determining the most appropriate ways and means to ensure effective cooperation.

ARTICLE 3 COORDINATION

The Parties or their respective representatives shall meet at least once a year, to discuss matters of mutual interest.

ARTICLE 4 FINAL CONSIDERATIONS

1. This Memorandum of Understanding does not imply any commitment to the transfer of financial resources between the Parties or any other activity onerous to Brazil's national treasury **or contrary to the ICO budget approved by the Council.**

2. This Memorandum of Understanding shall enter into force upon the date of its signature and shall remain in force for a period of three (3) years and may be renewed for equal periods of three (3) years upon ~~written request of any~~ **mutual agreement** of the Parties six (6) months before its expiration.

3. This Memorandum of Understanding may be terminated fully or in part by written notification from any of the Parties. Termination shall be effective ninety (90) days after the date of notification.

4. This Memorandum of Understanding may be modified by mutual consent expressed in writing by duly authorized representatives of the Parties.

5. Any dispute regarding the interpretation or application of this Memorandum of Understanding shall be resolved exclusively through consultations and negotiations through the diplomatic channels.

Signed in _____, on _____ 2012 in the Portuguese language.

For the Government of
the Federative Republic of Brazil

For the
International Coffee Organization