

VOCATIONAL INDUSTRIAL EDUCATION PROGRAM

*Exchange of notes at Rio de Janeiro July 23 and October 21 and 27, 1948, amending and extending agreement of March 26 and April 5, 1946;*¹ *agreement between Brazilian Ministry of Education and Health and Inter-American Educational Foundation October 30, 1948*

Entered into force October 30, 1948

*Amended and extended by agreement of August 23 and September 29, 1949*²

Program expired December 31, 1963

63 Stat. 2857; Treaties and Other
International Acts Series 2115

EXCHANGE OF NOTES

The American Ambassador to the Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

Rio de Janeiro, July 23, 1948

No. 193

EXCELLENCY:

I have the honor to refer to the Basic Agreement between the Government of the United States of Brazil and the Inter-American Educational Foundation, Inc., dated January 3, 1946,³ as amended, which provided for the initiation and execution of the cooperative program of vocational education in Brazil. I also refer to Foreign Office note (DAI/87/542.2 (22) of July 19, 1948 suggesting the consideration by our respective Governments of a further extension of that Agreement.

In accordance with legislation enacted during 1947 by the Congress of the United States of America and approved by the President of my country all of the property, funds, functions, personnel, liabilities and restrictions of the Inter-American Educational Foundation, Inc., were transferred to The Institute of Inter-American Affairs, a corporate instrumentality of my Government created by such legislative action. Consequently, the participation by

¹ TIAS 1534, *ante*, p. 1009.

² TIAS 2115, *post*, p. 1077.

³ TIAS 1534, *ante*, p. 1011.

my Government in the cooperative program of vocational education is now being effectuated through The Institute of Inter-American Affairs.

As Your Excellency knows, the Basic Agreement of January 3, 1946, as amended, provided that the cooperative program of vocational education terminate on June 30, 1948. However, considering the mutual benefits which both governments have derived from the program, my Government agrees with the Government of Brazil that an extension of such program would be desirable. I have been advised by the Department of State in Washington, D.C. that arrangements may now be made for the Institute to continue its participation in the cooperative program for a period of one year, from June 30, 1948 through June 30, 1949, upon the condition that a formal agreement, providing for the extension of the cooperative program, is signed by authorized representatives of our two governments not later than September 30, 1948. It would be understood that during such period of extension, namely, from June 30, 1948 through June 30, 1949, the Institute would make a contribution of \$100,000.00 U.S. Cy. to the credit of Comissão Brasileira-Americana de Educação Industrial for use in carrying out project activities of the program on condition that your Government would contribute to the same organization for the same purpose the sum of Cr\$7,000,000.00. The Institute would also be willing during the same extension period to make available an amount not exceeding \$125,000.00 U.S. Cy. to be retained by the Institute, and not deposited to the account of the Comissão Brasileira-Americana de Educação Industrial, for payment of salaries and other expenses of the members of the Institute, Education Division, Field Staff, who are maintained by the Institute in Brazil. The amounts referred to would be in addition to the sums already required under the Basic Agreement to be contributed and made available by the parties in furtherance of the program.

If Your Excellency agrees that the proposed extension on the above basis is acceptable to your Government, I would appreciate receiving an expression of Your Excellency's opinion and agreement thereto as soon as may be possible in order that the technical details of the extension may be worked out by officials of the Ministry of Education and The Institute of Inter-American Affairs.

In accordance with the desire of your Government that the cooperative work of Comissão Brasileira-Americana de Educação Industrial be continued pending the signing of the formal agreement to extend the cooperative education program, and in order to assure continuity of the program, my Government is willing to continue to maintain in Brazil the staff of specialists in vocational education of The Institute of Inter-American Affairs which was provided for in the Basic Agreement for such time as it may be reasonably necessary to reach an agreement on the technical details of the extension agreement. Your Excellency will appreciate, however, that no funds can be deposited to the account of Comissão Brasileira-Americana de Educação Industrial by The Institute of Inter-American Affairs until the formal agree-

ment, extending the cooperative education program in Brazil, is signed by authorized representatives of our two governments.

The Special Representative of The Institute in Brazil has been authorized to enter into a written agreement with the Superintendent of Comissão Brasileira-Americana de Educação Industrial to provide for the use of Comissão Brasileira-Americana de Educação Industrial funds remaining unexpended at the close of June 30, 1948, for financing only existing projects being undertaken by Comissão Brasileira-Americana de Educação Industrial pending the signing, on or before September 30, 1948, of a formal extension agreement.

It is understood that your Government will extend the same recognition to The Institute of Inter-American Affairs which was extended to The Inter-American Educational Foundation, Inc. by Clause XVIII of the Basic Agreement and that The Institute and its personnel in Brazil, who are citizens of the United States of America, will be extended the same exemptions and immunities extended to The Foundation and its personnel pursuant to such Clause XVIII of the Basic Agreement.

The Government of the United States of America will consider the present note and your reply note concurring therein as constituting an agreement between our two governments, which shall come into force on the date of the signature of an agreement by the Minister of Education and Health of Brazil and the Special Representative of The Institute of Inter-American Affairs embodying the above mentioned technical details.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

HERSCHEL V. JOHNSON

His Excellency

RAUL FERNANDES

Minister for Foreign Affairs

Rio de Janeiro

The Acting Minister of Foreign Affairs to the American Ambassador

[TRANSLATION]

MINISTRY OF FOREIGN AFFAIRS

RIO DE JANEIRO

October 21, 1948

DAI/136/542.2(22)

MR. AMBASSADOR,

I have the honor to acknowledge the receipt of note No. 193, of July 23, 1948, in which Your Excellency refers to the extension of the Basic Agreement, as amended, for the execution of a cooperative program of vocational education in Brazil, signed in Rio de Janeiro, on January 3, 1946, between

the Ministry of Education and Health of the Government of the United States of Brazil and the Inter-American Educational Foundation, Inc., now the Education Division of the Institute of Inter-American Affairs.

2. In the said note, Your Excellency informed me that, considering the mutual benefits derived from the cooperative program of vocational education, the period of which, under the terms of the Basic Agreement of January 3, 1946, terminated on June 30, 1948, the Government of the United States of America agrees with the Government of the United States of Brazil as to the desirability of its extension.

3. Your Excellency likewise informed me that the Government of the United States of America has considered that arrangements might be made for the Institute of Inter-American Affairs, to which the property and functions of the Inter-American Educational Foundation, Inc., have been transferred, to continue its participation in the said cooperative program for one year more, or from June 30, 1948, through June 30, 1949, upon the condition, however, that a formal agreement for extension of the cooperative program is signed by authorized representatives of our two Governments not later than September 30, 1948.

4. However, by virtue of a careful study of the conditions and procedures to govern extension of the said cooperative program of vocational education forming the subject of the agreement in question, it was not possible for it to be concluded before September 30, 1948, the date set in Your Excellency's note. I therefore suggest to Your Excellency that the date on or before which the agreement for extension of the cooperative program of vocational education must be concluded between the Ministry of Education and Health of Brazil and the Institute of Inter-American Affairs, be extended to October 31, 1948.

5. It shall be stipulated in the extension agreement that, during the period of the extension of the aforementioned program, that is, from June 30, 1948, to June 30, 1949, the Institute of Inter-American Affairs will contribute \$100,000.00 (one hundred thousand dollars) U. S. Cy. to the credit of the Comissão Brasileira-Americana de Educação Industrial, for use in carrying out project activities of the program, the Government of the United States of Brazil being obligated to contribute to the same organization for the same purpose the sum of Cr\$7,000,000.00 (seven million cruzeiros).

6. The Institute of Inter-American Affairs will also agree to make available, during the same extension period, an amount not exceeding \$125,000.00 (one hundred twenty-five thousand dollars) U.S. Cy., for payment of salaries and other expenses of the members of its Education Division Field Staff in Brazil, which sum is not to be deposited to the account of the said Comissão Brasileira-Americana de Educação Industrial and is to be retained by the Institute. The amounts referred to shall be in addition to the sums already

required under the Basic Agreement to be contributed by the parties in furtherance of the program.

7. To the end that the cooperative work of the Comissão Brasileira-Americana de Educação Industrial shall suffer no break in continuity pending the signing of the formal agreement to extend the cooperative education program, the staff of specialists in vocational education of the Institute of Inter-American Affairs will remain in Brazil for the time necessary to reach an agreement on the technical details of the extension agreement. However, no funds will be deposited to the account of the Comissão Brasileira-Americana de Educação Industrial until the aforementioned agreement for extension of the cooperative education program is signed by authorized representatives of our two Governments.

8. The Government of the United States of Brazil is also aware that the Special Representative of the Institute of Inter-American Affairs has been authorized to enter into a written agreement with the Superintendent of the Comissão Brasileira-Americana de Educação Industrial to provide for the use of the funds remaining unexpended by the Comissão at the time of termination of the Basic Agreement on June 30, 1948, devoting them solely to the financing of projects already started by the Comissão Brasileira-Americana de Educação Industrial, pending the formal signature of the extension agreement, which should be done, under the terms of Your Excellency's note, on or before September 30, 1948.

9. The Government of the United States of Brazil will extend its recognition to the Institute of Inter-American Affairs as it did to the Inter-American Educational Foundation, Inc., under the terms of Clause XVIII of the Basic Agreement, and will extend to the Institute and to its personnel in Brazil, provided they are citizens of the United States of America, the same exemptions and immunities enjoyed in Brazil by the Inter-American Educational Foundation, Inc., and its personnel, pursuant to the said clause of the Basic Agreement.

10. I thus inform Your Excellency that under the terms set forth above should the Government of the United States of America agree to extend to October 31, 1948 the date on or before which the agreement for extension of the cooperative program of vocational education must be formally concluded, Your Excellency's note, dated July 23, 1948, to which I refer at the beginning, this note and the note in which Your Excellency may inform me of the agreement of the United States Government to extend the date on or before which the said extension agreement must be concluded, will, with respect to this matter, constitute an agreement between our two Governments, which shall come into force on the date of the signature, by the Minister of Education and Health of Brazil and the Special Representative of the Insti-

tute of Inter-American Affairs, of the extension agreement embodying the above-mentioned technical details.

I avail myself of the opportunity to renew to Your Excellency the assurances of my highest consideration.

HILDEBRANDO ACCIOLY

His Excellency

HERSCHEL V. JOHNSON

Ambassador of the United States of America

The American Ambassador to the Acting Minister of Foreign Affairs

EMBASSY OF THE
UNITED STATES OF AMERICA

RIO DE JANEIRO

October 27, 1948

No. 283

EXCELLENCY:

I have the honor to acknowledge Your Excellency's note DAI/136/543.2 (22) of October 21, 1948, relative to the cooperative program of vocational education in Brazil and to express the concurrence of my Government with Your Excellency's suggestion that the period for the signing of a formal agreement, for the extension of the program by the Minister of Education and Health of Brazil and the Special Representative of The Institute of Inter-American Affairs, be extended from September 30 to October 31, 1948 in view of the circumstances that have made it impossible for Brazil to conclude by September 30, 1948 a study of the terms and procedures to govern said extension.

This note, Your Excellency's note of October 21, 1948 and my note of July 23, 1948, therefore, will be considered as constituting an agreement between our two Governments with respect to the extension of the cooperative program of vocational education and will come into force on the date of the signature of an agreement by the Minister of Education and Health of Brazil and the Special Representative of The Institute of Inter-American Affairs embodying the technical details of the program, providing the latter is concluded not later than October 31, 1948.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

HERSCHEL V. JOHNSON

His Excellency

Ambassador HILDEBRANDO P. P. ACCIOLY

Acting Minister for Foreign Affairs

Rio de Janeiro

EXTENSION AGREEMENT OF THE AGREEMENT SIGNED IN RIO DE JANEIRO, ON JANUARY 3, 1946, BY THE MINISTRY OF EDUCATION AND HEALTH OF THE GOVERNMENT OF THE UNITED STATES OF BRAZIL AND THE INTER-AMERICAN EDUCATIONAL FOUNDATION, INC., ON VOCATIONAL INDUSTRIAL EDUCATION

The Ministry of Education and Health (hereinafter referred to as the "Ministry") of the Government of the United States of Brazil (hereinafter referred to as the "Government"), represented by Dr. Clemente Mariani Bittencourt, the Minister of Education and Health (hereinafter referred to as the "Minister"), and the Institute of Inter-American Affairs (hereinafter referred to as the "Institute"), a corporate instrumentality of the Government of the United States of America and successor to the Inter-American Educational Foundation, Inc. (hereinafter referred to as the "Foundation"), represented by its Special Representative, Education Division, Mr. George S. Sanders (hereinafter referred to as the "Special Representative"), have agreed, in accordance with the exchange of Notes dated July 23, 1948, and October 21 and 27, 1948, between the American Ambassador and the Brazilian Minister for Foreign Affairs, upon the following technical details for extending and modifying the Agreement executed by the Ministry and the Foundation on January 3, 1946, as amended by Special Resolution signed by the parties on August 26, 1946 (hereinafter referred to as the "Basic Agreement"), providing for a cooperative education program to be carried on in Brazil:

CLAUSE I

The cooperative education program provided for in the Basic Agreement is hereby extended for an additional period of one year from June 30, 1948, through June 30, 1949.

CLAUSE II

In addition to the funds required by the Basic Agreement to be contributed or otherwise made available by the parties thereto with respect to the cooperative education program, which funds heretofore have been contributed or otherwise made available, the parties hereto shall contribute and make available funds for use in continuing the cooperative education program during the period covered by this Extension Agreement, in accordance with the following schedule:

1. The Institute shall make available the funds necessary to pay the salaries and all other expenses of its Education Division field staff in Brazil during the period covered by this Agreement, provided that the amount of such funds shall not exceed US\$125,000.00. This amount shall be administered by the Institute and shall not be deposited to the credit of the Comissão

Brasileiro-Americana de Educação Industrial (hereinafter referred to as the "CBAI").

2. The Institute shall deposit in the CBAI special bank account (hereinafter referred to as the "CBAI Bank Account"), in the Banco do Brasil, the sum of US\$100,000.00 or its equivalent in cruzeiros, (which, at the exchange rate of Cr\$18,50 to \$1.000 equals Cr\$1.850.000,00), as follows:

Within 15 days after the registration of the Brazilian appropriation	US\$50,000.00
On or before January 31, 1949	US\$50,000.00
Total	<u>US\$100,000.00</u>

3. The Government, in addition to its regular budget for industrial education, shall deposit in the CBAI bank account the sum of Cr\$7.000.000,00 (which, at the exchange rate of Cr\$18,50 to \$1.00 equals US\$378.378,38), as follows:

Within 15 days after the registration of the Brazilian appropriation	CR\$3.000.000,00
On or before January 31, 1949	CR\$4.000.000,00
Total	<u>CR\$7.000.000,00</u>

4. The funds to be deposited by the Institute under sub-paragraph 2 of this Clause II shall be available for the payment of CBAI expenses incurred on and after July 1, 1948, but all funds required to be deposited within 15 days after the registration of the Brazilian appropriation, by either party shall not be available for withdrawal or expenditure until all deposits due and payable from the other party have been made.

CLAUSE III

The parties hereto, by written agreement of the Superintendent of the CBAI and the Special Representative, may amend the schedules for making the deposits required by Clause II hereof, may provide for advance purchase of equipment or materials by either party with appropriate credit against the payments due under the schedules, and may provide for contributions of funds by either or both parties, or by third parties, for use in effectuating the cooperative education program in addition to the funds required to be contributed by this Extension Agreement and the Basic Agreement.

CLAUSE IV

The Basic Agreement shall remain in full force and effect for the purpose of extending the cooperative education program, as provided herein, and all provisions of the Basic Agreement shall be applicable to all operations and activities under this Extension Agreement to the same extent and with the same effect as though expressly set forth herein; EXCEPT that the Basic

Agreement, in its application to the period provided for in this Extension Agreement, is hereby amended and supplemented by the provisions of this Extension Agreement, including the following particulars:

1. Any unobligated balance of funds remaining to the credit of CBAI at the close of June 30, 1948 shall be available for expenditure during the period covered by this Extension Agreement.

2. Clause II of the Basic Agreement is hereby amended to read as follows:

“The methods of carrying out the said cooperative education program will include such procedures as:

a) The furnishing by the Institute of a field staff of specialists in industrial education to collaborate in the planning, organizing, and conducting of the cooperative education program.

b) In cooperation with various Brazilian authorities:

(1) The making of studies and surveys relative to the education requirements of Brazil in the field of industrial education and the formation and conduct of a program to meet these needs.

(2) The organization, development, and conduct of training in Brazil for teachers and administrators of industrial education, including pre-employment training and in-service training of teachers, coordinators, counselors, supervisors and directors.

(3) The planning, organizing, and putting into operation of an effective vocational guidance program.

(4) Providing for the training in the United States of selected Brazilian personnel.

(5) Purchase of materials and equipment for industrial schools and teacher training programs.

(6) Use of such other methods and means as may be mutually agreed upon and appropriate for the realization of this cooperative education program.”

3. The parties hereto agree that any funds of the CBAI which remain unexpended on the termination of this Extension Agreement shall, unless otherwise agreed upon in writing by the parties hereto at that time, be returned to the parties hereto in the proportion of the respective contributions made by the parties under the Basic Agreement and under Clause II of this Extension Agreement.

4. Clause XV of the Basic Agreement is hereby amended to read as follows:

“a. The Superintendent of the CBAI and the Special Representative may agree to withhold in the United States of America, from the payments to be made by the Institute into the CBAI Bank Account, the amounts con-

sidered to be necessary for the program, for the liquidation of obligations payable outside of Brazil, in United States dollars.

b. Such amounts withheld shall be considered as if deposited under the terms of this Agreement. Any funds withheld by the Institute and not expended or obligated shall be deposited in the CBAI Bank Account at any time upon mutual agreement of the Superintendent of the CBAI and the Special Representative.”

5. Clause XVI of the Basic Agreement is amended to read as follows:

“The parties hereto declare their recognition that the Institute, being a corporate instrumentality of the United States of America, wholly owned, directed, and controlled by the Government of the United States of America, is entitled to share fully in the immunity from suit in the courts of Brazil which is enjoyed by the United States of America.”

6. Clause XVII of the Basic Agreement is hereby amended to read as follows:

“Any of the funds introduced into Brazil by the Institute for the purpose of the cooperative education program shall be exempt from taxes, service charges, investment or deposit requirements, and other currency controls, and shall be converted into cruzeiros at the then current rate of exchange but in any event at a rate of exchange not less than Cr\$18,50 per dollar. Similarly, where it may be necessary or advisable to convert cruzeiros into dollars for the financing of grants or for other expenditures in the United States of America, the conversion of cruzeiros into dollars shall be made at the then current rate of exchange but in any event at a rate of exchange not less than Cr\$18,50 per dollar.”

7. Clause XVIII of the Basic Agreement is hereby amended to read as follows:

“a. All rights and privileges which are enjoyed by governmental and similar official divisions of the Government and by the personnel and employees of the same shall accrue to the Institute and to all its personnel and employees. Such rights and privileges shall include, but not by way of limitation, free postal, telegraph, and telephone service whenever possible, passes on railroads administered by the Government and the right to rebates or preferential tariffs allowed to departments of the Government by domestic companies of maritime and river navigation, air travel, telegraph, telephone, etc., and also freedom and immunity from excise, stamp, consular charges, property, and any or all other taxes. The Institute shall be exempted from all imposts, taxes and emoluments.

b. All employees of the Institute engaged in carrying out the objectives of the cooperative education program shall be exempt from all Brazilian income taxes and social security taxes with respect to income on which they

are obliged to pay income or social security taxes to the Government of the United States of America and from property taxes on personal property intended for their own use. Said employees shall also be exempt from the payment of customs and import duties on personal effects and equipment and supplies imported for their own use or for the personal use of the members of their families.”

8. By mutual agreement between the Superintendent of the CBAI and the Special Representative, funds of the CBAI may be used to reimburse or defray the salaries, living expenses, travel and transportation costs, and other expenses of such additional personnel of the Education Division of the Institute in Brazil as the parties mentioned may agree are necessary to be employed, in addition to the employees referred to under Clause II hereof. Such funds may be contributed or granted for such purposes by the CBAI to the Institute or to any other organization, but in every case the Superintendent of the CBAI and the Special Representative will enter into a written project agreement setting forth the scope and the other necessary terms of such contributions or grants.

9. All references in the Basic Agreement to the Inter-American Educational Foundation, Inc. shall, for the purposes of this Extension Agreement, be deemed to refer to the Institute.

CLAUSE V

The Ministry undertakes to obtain or promulgate such legislation, decrees, orders, or resolutions as may be necessary to effectuate the terms of this Extension Agreement.

CLAUSE VI

This Extension Agreement shall become effective on the date that registration is made by the Tribunal de Contas of Brazil.⁴

IN WITNESS WHEREOF, the parties hereto have caused this Extension Agreement to be executed by their duly authorized representatives, in quintuplicate, in the Portuguese and English languages, in Rio de Janeiro, Brazil, this 30th day of October, 1948.

Ministry of Education and Health

CLEMENTE MARIANI

Minister of State

The Institute of Inter-American Affairs

GEORGE S. SANDERS

*Special Representative,
Education Division*

⁴ Oct. 4, 1949.