

MEMORANDUM OF UNDERSTANDING BETWEEN THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT (USAID) AND THE CHILEAN INTERNATIONAL COOPERATION AGENCY (AGCI) FOR THE IMPLEMENTATION OF DEVELOPMENT COOPERATION ACTIVITIES IN THIRD COUNTRIES

The United States Agency for International Development

and

The Chilean International Cooperation Agency (“the two Agencies”),

Considering that:

The United States of America and Chile have an existing development partnership established by the bilateral Memorandum of Understanding on Development Cooperation signed by the U.S. Secretary of State and the Chilean Foreign Minister on April 16, 1998;

The United States and Chile further strengthened and updated this commitment to development cooperation through a Memorandum of Understanding on Development Cooperation signed by the U.S. Assistant Secretary of State and the Chilean Foreign Minister on January 12, 2010;

In the above Memoranda of Understanding, both Governments stressed the strong shared interest in establishing modes of joint cooperation to foster development in third countries and with the participation of their governments (“trilateral cooperation”);

Cooperation between both Governments to foster development under the Memoranda of Understanding to date has produced positive and promising results in South American and Central American countries;

The United States Agency for International Development and the Chilean International Cooperation Agency are the primary foreign assistance Agencies for their respective Governments;

The two Agencies anticipate that further coordination and harmonization of development assistance activities under way by each Government will lead to greater efficiencies and better results;

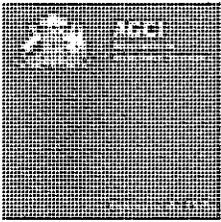
Therefore, the two Agencies have reached the following understandings:

Section I

Purpose

1. The intent of this Memorandum of Understanding (hereinafter referred to as “MOU”) is to establish guidelines under which the two agencies may identify and select countries for possible trilateral cooperation by mutual concurrence, and in consultation with the State Department and

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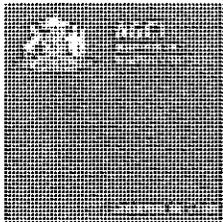
Ministry of Foreign Affairs, and may promote economic and social advances in such countries in the sectors which can benefit from such cooperation.

2. This MOU does not impose targets for action for the two Agencies, with each being free to suggest cooperation projects or coordination of activities whenever deemed necessary or appropriate.

Section II Activities

1. The two Agencies intend to hold periodic consultations to consider joint programs or projects, develop work plans for such joint programs or projects, and review implementation of this MOU.
2. The two Agencies, making full use of best practices in implementing trilateral development cooperation, intend to implement jointly, and in coordination with the Chilean Ministry of Foreign Affairs, the US State Department, and governments of selected beneficiary countries, cooperation activities based on the needs of the beneficiary countries as well as the proposals presented by each Agency, which should be consistent with the geographic and sectoral priorities of the United States and Chilean governments.
3. The activities carried out under this Memorandum may encompass, but are not limited to:
 - a. Increasing institutional capacity to help governments better address citizens' needs;
 - b. Confronting the citizen safety problems facing the region by supporting community crime and gang prevention programs, community policing, and services for at-risk youth and vulnerable populations;
 - c. Improving health systems, with a particular focus on infant and maternal health, vaccinations, access to potable water, and increased access to health services for the poor;
 - d. Improving quality of, and access to, education;
 - e. Improving food safety and increasing agricultural production and exports;
 - f. Enhancing and expanding social protection networks;
 - g. Reducing poverty, especially for marginalized or lower income segments of society;
 - h. Advancing economic development and socioeconomic inclusion; and
 - i. Encouraging the use of public-private partnerships as a force multiplier across sectors.

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Section III
Monitoring and Assessment

The Agencies may carry out monitoring and assessment by means of sending joint or separate missions to the beneficiary countries. Each Agency retains the ability to carry out its own internal supervision and oversight of the projects. The results of such activities are intended to be reported to both Agencies.

Section IV
Rights and Obligations

This MOU does not create rights or obligations for the Agencies or Governments under international law.

Cooperation under this memorandum is subject to the respective laws and regulations of the United States of America and the Republic of Chile and to the availability of appropriated funds.

Section V
Signature and Commencement

The Agencies intend to begin cooperation under this MOU as of the date of its signing, notwithstanding the procedures that may be required to finalize this instrument, according to the norms applicable in each of the respective countries. Either Agency should endeavor to provide 60 days advance notice of its decision to discontinue cooperation under this MOU.

SIGNED in Asunción, Paraguay, in duplicate, this 23rd day of February of 2011, in the English and Spanish languages.

MARK LOPES

**DEPUTY ASSISTANT ADMINISTRATOR
BUREAU FOR LATIN AMERICA AND
THE CARIBBEAN
UNITED STATES AGENCY FOR
INTERNATIONAL DEVELOPMENT**

Ma. CRISTINA LAZO VERGARA

**EXECUTIVE DIRECTOR
CHILEAN AGENCY FOR
INTERNATIONAL COOPERATION**