

## HEALTH AND SANITATION PROGRAM

*Agreement signed at Rio de Janeiro November 25, 1943, and exchange of notes at Rio de Janeiro November 9 and 25, 1943, supplementing agreement of March 14, 1942*

*Entered into force January 1, 1944*

*Modified by agreements of July 28 and August 23, 1944,<sup>1</sup> and December 15 and 30, 1948<sup>2</sup>*

*Extended by agreement of December 15 and 30, 1948<sup>2</sup>*

*Program terminated October 3, 1960<sup>3</sup>*

57 Stat. 1338; Executive Agreement Series 375

### AGREEMENT

#### MINISTERIO DAS RELAÇÕES EXTERIORES

RIO DE JANEIRO

The Government of the United States of Brazil and the Government of the United States of America, through the Institute of Inter-American Affairs, an agency of the Office of the Coordinator of Inter-American Affairs, have decided to celebrate the following Contract for the prosecution of the cooperative public health and sanitation program in Brazil, provided for by Resolution XXX approved at the Third Meeting of Ministers of Foreign Affairs held in Rio de Janeiro in January 1942:<sup>4</sup>

#### CLAUSE I

The Ministry of Education and Health and The Institute of Inter-American Affairs shall continue to maintain the special technical service known as the Serviço Especial de Saúde Pública (hereinafter called "SESP") which shall function as a separate entity within and subordinated to the Ministry of Education and Health. The SESP shall continue to be responsible for and shall have the power to formulate and execute the health and sanitation program.

#### CLAUSE II

The Institute of Inter-American Affairs (hereinafter referred to as the "Institute") may continue to maintain in Brazil a field party of technicians,

<sup>1</sup> TIAS 1939, *post*, p. 986.

<sup>2</sup> TIAS 1939, *post*, p. 1071.

<sup>3</sup> Pursuant to notice of termination given by Brazil Aug. 4, 1960.

<sup>4</sup> For text, see *Department of State Bulletin*, Feb. 7, 1942, p. 137.

to consummate the cooperative program hereinafter described. The party of technicians shall be of such size as the Institute considers appropriate and shall be under the direction of an official who shall have the title of Chief of Field Party, Health and Sanitation Division, The Institute of Inter-American Affairs, which Chief of Field Party shall be acceptable to the Minister of Education and Health. This official shall be the representative of the Health and Sanitation Division of the Institute in connection with the program to be undertaken in accordance with this agreement.

### CLAUSE III

The Government of Brazil shall appoint as Superintendent of SESP the Chief of Field Party, Health and Sanitation Division, The Institute of Inter-American Affairs. The Superintendent shall have as an administrative assistant a qualified expert duly appointed by the Minister of Education and Health and acceptable to the said Superintendent.

With the approval of the Minister the Superintendent of SESP may delegate his authority to persons employed by SESP or members of the field party of the Institute.

### CLAUSE IV

The health and sanitation program in Brazil shall continue to consist of individual projects. The kind of work and the specific projects to be undertaken in the execution of this agreement and the allocation of funds therefor shall be agreed upon by the Minister of Education and Health and the Chief of Field Party in his capacity as representative of the Health and Sanitation Division of the Institute and shall be carried out by the Superintendent of the SESP in conformity with policies prescribed jointly by the Minister and the Chief of Field Party for the Institute.

### CLAUSE V

For the purpose of effectuating the objectives of this agreement, the Institute agrees to deposit in the Banco do Brasil to the account of SESP the sum of \$3,000,000 U.S. on the following basis:

During January 1944	\$1, 250, 000
During January 1945	500, 000
During January 1946	500, 000
During January 1947	500, 000
During January 1948	250, 000

and the Government of Brazil agrees to deposit in the Banco do Brasil to the account of SESP the sum of Cr.\$100.000.000,00 on the following basis:

During January 1944	Cr.\$10. 000. 000, 00
During January 1945	Cr.\$20. 000. 000, 00
During January 1946	Cr.\$20. 000. 000, 00
During January 1947	Cr.\$20. 000. 000, 00
During January 1948	Cr.\$30. 000. 000, 00

## CLAUSE VI

In accordance with the commitments made by the Government of the United States of Brazil and the Government of the United States of America the Institute hereby acknowledges that the previous obligation of the United States of America for health and sanitation work in Brazil was \$5,000,000. In view of the fact that there remains an unexpended balance of these funds the Institute agrees that it will spend the balance thereof in accordance with project agreements approved by the Minister of Education and Health and the Chief of Field Party and the balance not so spent by December 31, 1944 shall be deposited in the Banco do Brasil to the account of SESP. This obligation is in addition to the commitments herein agreed.

The Government of Brazil herewith acknowledges its obligations under the agreement for the health and sanitation program in the Amazon Valley of July 17, 1942<sup>5</sup> and the agreement for the health and sanitation program in the Rio Doce Valley of February 10, 1943,<sup>6</sup> of nine million cruzeiros and agrees that on January 1st, 1944 it will deposit in the Banco do Brasil to the account of SESP the unexpended balance of said nine mill cruzeiros.

## CLAUSE VII

The funds deposited by the Government of Brazil for any particular year or the funds deposited by the Institute for any particular year to the credit of SESP in the Banco do Brasil as herein provided are not to be withdrawn by the Superintendent of SESP until the funds for that year are deposited by both parties as agreed to herein.

## CLAUSE VIII

The funds deposited by the parties to this agreement to the credit of SESP in the Banco do Brasil which are not spent during the calendar year in which deposited shall continue to be available for the purpose of this program during the existence of this agreement and shall not revert to the Governments of the United States of America or the United States of Brazil. The parties hereto shall determine by mutual agreement the disposition of any unobligated funds remaining to the credit of SESP on December 31, 1948.

## CLAUSE IX

All interest on any balances in the Banco do Brasil whether these balances are composed of funds from the Institute or from the Government of Brazil shall be credited to and for the use of SESP.

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<sup>5</sup> EAS 373, *ante*, p. 928.

<sup>6</sup> EAS 374, *ante*, p. 952.

## CLAUSE X

The Superintendent of SESP shall have the sole power to select, appoint and discharge the employees of SESP and shall determine the salaries, transfers and conditions of employment within the SESP. The employees of SESP shall be remunerated from SESP funds. The Brazilian public officials employed in the SESP shall incur no loss of their civil service status as employees of the Government of Brazil.

## CLAUSE XI

Contracts and agreements relating to the execution of projects previously agreed upon between the Minister or his representative and the representative of the Institute shall be executed in the name of SESP by the Superintendent of SESP.

## CLAUSE XII

The salaries, living allowances, travelling expenses and any other amounts directly payable to personnel of the Institute, including the Superintendent of SESP, shall be paid exclusively from the funds of the Institute and not by SESP and shall not be credited against the funds herein described.

## CLAUSE XIII

All rights and privileges which are enjoyed by governmental and similar official divisions of the Government of Brazil and by the personnel and employees of the same shall accrue to SESP and to all its personnel and employees. Such rights and privileges shall include, for example and not exclusively, free postal, telegraph and telephone service whenever possible, passes on railroads administered by the Government of Brazil and the right to rebates or preferential tariffs allowed to departments of the Government of Brazil, 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 SESP shall be exempted from all imposts, taxes and emoluments in accordance with Decree-Law n° 5.586 of June 10, 1943.

The Institute will enjoy the same rights, privileges and immunities as described above with respect to its operations which are related to, or property which is to be used for, the program herein agreed upon. If necessary or advisable to effect these rights the Superintendent of SESP may appoint to SESP employees of the Institute provided that for the purposes of the clause XII hereof they shall always be considered as employees of the Institute.

## CLAUSE XIV

The Superintendent of SESP shall furnish the Minister of Education and Health any information which is desired concerning the SESP or its activities. Reports shall be provided to the Minister regarding the progress of the work

of SESP and its specific projects at such time or times as agreed to by the Minister and the Superintendent.

#### CLAUSE XV

All employees of the Institute engaged in carrying out the objectives of the health and sanitation program shall be exempt from all 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 their personal effects and equipment and supplies imported for their own use.

#### CLAUSE XVI

In view of the fact that many purchases of materials and supplies must necessarily be made in the United States of America and paid for in dollars, the Minister of Education and Health and the Chief of Field Party may agree to withhold from the deposits to be made by the Institute as herein above provided an amount estimated to be necessary to pay for the purchases of materials and supplies in the United States of America. Any funds so withheld by the Institute for such purchases and not expended or obligated for materials and supplies for SESP at the end of any calendar year shall be deposited to the SESP account.

#### CLAUSE XVII

The Institute does not engage to make available any equipment, supplies or materials which are deemed necessary and essential by the Government of the United States of America to any phase of the war effort.

#### CLAUSE XVIII

The expenditure, audit and accounting of funds in the SESP account as well as the purchase and sale of all real and personal property for the account of SESP shall be regulated and controlled under such rules, regulations and procedures as shall be mutually agreed upon by the Minister of Education and Health and the Superintendent of SESP. The accounts of SESP shall be available for audit whenever it is considered necessary by the appropriate agency of the Government of Brazil and by the Chief of Field Party in his capacity as representative in Brazil of the Division of Health and Sanitation of the Institute, or his delegate.

#### CLAUSE XIX

At the termination of this agreement all real and personal property of SESP shall remain the property of the Government of Brazil.

## CLAUSE XX

All rights, powers, privileges or duties conferred by this agreement to the Minister of Education and Health, and to the Chief of Field Party may be delegated to any representatives appointed by one of them, provided that such representatives be satisfactory to the other.

## CLAUSE XXI

The Government of Brazil will obtain or endeavor to obtain the legislation, decrees, orders or resolutions necessary to carry out the terms of this agreement.

This contract, effective as of January 1st, 1944, shall remain in force up to December 31, 1948.

IN WITNESS WHEREOF, the undersigned, duly authorized thereto, sign the present contract in duplicate in the English and Portuguese languages, at Rio de Janeiro, this twenty-fifth day of November nineteen hundred and forty-three.

For the Government of the United States of America:

JEFFERSON CAFFERY

*Ambassador Extraordinary and Plenipotentiary in Rio de Janeiro, Brazil*

G. C. DUNHAM

*Executive Vice-President,*

*The Institute of Inter-American Affairs*

For the Government of the United States of Brazil:

OSWALDO ARANHA

*Minister of State of Foreign Affairs of Brazil*

GUSTAVO CAPANEMA

*Minister of State of Education and Health of Brazil*

## EXCHANGE OF NOTES

*The American Ambassador to the Minister of Foreign Affairs*

EMBASSY OF THE  
UNITED STATES OF BRAZIL

RIO DE JANEIRO, *November 9, 1943*

No. 1947

## EXCELLENCY:

I have the honor to refer to the notes exchanged between the Minister for Finance of Brazil and the Acting Secretary of State of the United States of America, dated March 14, 1942,<sup>7</sup> and to our conversations relative to

<sup>7</sup> EAS 372, *ante*, p. 919.

the cooperative program of health and sanitation in the United States of Brazil provided for by Resolution XXX approved at the Third Meeting of Ministers of Foreign Affairs of the American Republics held in Rio de Janeiro in January 1942. In accordance with the notes under reference, the United States of America has contributed the sum of US\$5,000,000 for the cooperative health and sanitation program which is now being carried out in Brazil.

If desired by the Government of Brazil, the Government of the United States of America, through the Institute of Inter-American Affairs, an agency of the Office of the Coordinator of Inter-American Affairs, is prepared to contribute an additional sum of US\$3,000,000 for the purpose of cooperating with the Government of Brazil in expanding the cooperative program of public health and sanitation and providing for the termination of the program within a five year period beginning January 1, 1944 in so far as the funds contributed by the United States of America are concerned.

It is understood that the Government of Brazil, which has already contributed the sum of CR\$9.000.000,00 to the cooperative program, will contribute the additional sum of CR\$100.000.000,00 to be combined with the funds contributed by the United States of America and expended over the same five year period for the cooperative program of health and sanitation in Brazil.

The kind of work and specific projects to be undertaken, and the costs thereof, are to be mutually agreed to by the appropriate official of the Government of Brazil, who we understand is the Minister of Education and Health, and an appropriate official of the Institute of Inter-American Affairs, for the Government of the United States of America.

It is understood that the funds contributed by both governments will be spent through the special agency created within the Ministry of Education and Health by your Government, which special agency is known as the Serviço Especial de Saúde Pública. Detailed arrangements for the continuation of the special service and the fulfillment of the program will be effected by agreement between the appropriate official of the Government of Brazil and an appropriate official of the Institute of Inter-American Affairs for the United States of America.

It is understood that the Government of the United States of America will continue to furnish such experts as are considered necessary in order to collaborate with your agency in executing the health and sanitation program.

All projects completed and property acquired in connection with the health and sanitation program shall be the property of the Government of Brazil.

No project will be undertaken that will require supplies or materials the procurement of which would handicap any phase of the war effort.

I should appreciate it if Your Excellency would be so kind as to confirm to me your approval of this general proposal, with the understanding that the details of the program will be the subject of further discussion and agreement as provided for herein.

Accept, Excellency, the renewed assurance of my highest consideration.

JEFFERSON CAFFERY

His Excellency

Dr. OSWALDO ARANHA  
*Minister for Foreign Affairs*  
*Rio de Janeiro*

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*The Minister of Foreign Affairs to the American Ambassador*

[TRANSLATION]

MINISTRY OF FOREIGN RELATIONS

RIO DE JANEIRO

*November 25, 1943*

DAI/DPD/442/512.6(22)

MR. AMBASSADOR,

I have the honor to acknowledge the receipt of note 1947 of the 9th of this month, in which Your Excellency refers to the notes exchanged between the Minister of Finance of Brazil and the Acting Secretary of State of the United States of America dated March 14, 1942, and to our conversations about the cooperative program of health and sanitation in Brazil, which was provided for by resolution XXX of the Third Meeting of the Ministers of Foreign Affairs of the American Republics, which was held in this city in January 1942. Your Excellency makes known that in accordance with the aforesaid notes, the United States of America had already contributed the amount of \$5,000,000 in U.S. currency toward the realization of that health and sanitation program, which is at present being carried out in Brazil.

2. Your Excellency communicates to me that, in case the Brazilian Government so desires, the Government of the United States of America, through the intermediary of the Institute of Inter-American Affairs, an agency of the Office of Coordinator of Inter-American Affairs, will contribute an additional amount of \$3,000,000 in U.S. currency for the purpose of cooperating with the Brazilian Government in expanding the program of public health and sanitation, thus contributing the funds necessary for the execution of the program within a five-year period beginning January 1, 1944.

3. Next Your Excellency proposes that the Brazilian Government, which has already contributed the amount of CR \$9.000.000,00 toward the cooperative program, shall contribute an additional amount of CR \$100.000,-

000,00 to be expended in the said five-year period together with the funds furnished by the United States of America for the same purpose.

4. Your Excellency adds that the nature of the work and the projects to be carried out, as well as the expenses arising therefrom, could be settled by common agreement of the competent authority of the Brazilian Government, who would be the Minister of Education and Health, and an authorized member of the Institute of Inter-American Affairs acting for the Government of the United States of America.

5. Your Excellency proposes, further, that the funds furnished by the two Governments shall be spent through the agency created within the Ministry of Education and Health, which agency is known as the Special Service of Public Health, and that the additional arrangements for the continuation of the service and execution of the program shall be effected between the competent Brazilian authority and an authorized member of the Institute of Inter-American Affairs acting for the United States of America.

6. You also state that the Government of the United States of America will continue to furnish the technical personnel necessary for collaborating in the execution of the health and sanitation program.

7. You propose, in conclusion, that all the projects carried out and all property acquired in connection with the health and sanitation program shall be part of the Brazilian national property and that no plan shall be carried out which necessitates supplies or materials the procurement of which would prejudice the war effort at any time.

8. In reply, it is my duty to declare to Your Excellency that the Brazilian Government gives its full approval to that general proposal, the details of which, in accordance with what is provided above, will be considered and agreed upon separately by the Ministry of Education and Health and the Institute of Inter-American Affairs.

I avail myself of the opportunity to repeat the assurances of my highest consideration.

OSWALDO ARANHA

His Excellency

JEFFERSON CAFFERY

*Ambassador of the United States of America*