

BILATERAL AGREEMENT

Classification: 13-2018

Entry Date: 03/12/18

Name of Agreement: Supplementary Memorandum of Understanding Between The Pan American Development Foundation and the General Secretariat of The Organization of American States

Subject: The Purpose of this Supplementary MOU is to establish a framework to facilitate the collaboration between the PADF and the GS/OAS to support competitiveness, innovation and entrepreneurship in the Americas through the ACE program.

Parties involved: GS/The Pan American Development Foundation

Reference: The Pan American Development Foundation

Signature Date: December 22, 2017

Start Date:

End Date:

Place of Signature: Washington, DC

Unit in Charge: Department of Economic Development
Person in Charge:

Original:

Key points:

Closure of proceedings:

**SUPPLEMENTARY MEMORANDUM OF UNDERSTANDING
BETWEEN
THE PAN AMERICAN DEVELOPMENT FOUNDATION
AND
THE GENERAL SECRETARIAT OF THE ORGANIZATION OF AMERICAN STATES
TO SUPPORT COMPETITIVENESS, INNOVATION AND ENTREPRENEURSHIP IN THE
AMERICAS**

THE PARTIES TO THIS SUPPLEMENTARY MEMORANDUM OF UNDERSTANDING (hereinafter "Supplementary MOU"), the Pan American Development Foundation (hereinafter "PADF"), an international non-profit organization located at 1889 F Street, NW, Washington, D.C., 20006 represented by its Executive Director, Ms. Katie Taylor, and the General Secretariat of the Organization of American States (hereinafter "GS/OAS") a public international organization, with headquarters at 1889 F. St. N.W., Washington, D.C. 20006, represented by its Executive Secretary for Integral Development, Ms. Kim Osborne.

CONSIDERING:

The Acuerdo Entre la Secretaría General de la Organización de los Estado Americanos y la Fundación Panamericana de Desarrollo dated March 1, 1982, in which the Parties agreed to cooperate with each other in the fields of cultural, economic and social development in the Member States of the Organization of American States (hereinafter "OAS");

That PADF is an independent, non-profit organization 501(c)(3) that creates public-private partnerships to assist the least advantaged people in Latin America and the Caribbean and facilitates cooperation among the public and private sector of the Americas to promote education, scientific, social and economic development;

That the OAS Executive Secretariat of Integral Development ("SEDI") through the Department of Economic Development ("DED") serves as the Technical Secretariat of the Inter-American Competitiveness Network ("RIAC"), a mechanism that has enhanced the inter-American dialogue on competitiveness and innovation at the highest political level in the Americas, and has engaged the public and private sectors in concrete cooperation and collaborative initiatives through an open platform for cross-sectorial collaboration and partnerships among policymakers of OAS Member States and key development stakeholders throughout the region, including the private sector, international organizations, universities, and non-governmental institutions;

That the GS/OAS and the PADF share common goals and objectives including the support of sustainable economic and social progress to improve livelihoods and empower communities in Latin America and the Caribbean;

That the GS/OAS signed a Memorandum of Cooperation with the United States Department of Commerce concerning Competitiveness, Innovation, and Entrepreneurship in the Americas in San Diego, California, on April 12, 2016, to support the realization of the Americas Competitiveness Exchange on Innovation and Entrepreneurship ("ACE") of RIAC, a high-level cooperative program engaging decision makers from governments, private sector and academia to strengthen complementary innovation capacities and facilitate cooperation across the Western Hemisphere, through showcasing advanced technology centers, entrepreneurship and innovation hubs;

That the U.S. Department of Commerce made available resources to support the ACE programs held in the United States in 2017 and beyond through grant applications open for consideration by the Economic Development Administration ("EDA");

That PADF successfully applied for a U.S. Department of Commerce grant EDA Award - ED17HDQ3030041 (hereinafter the "Approved Grant") and received notice of award on July 7, 2017, for the amount of \$US100,000 for the Award File Period of 05/01/2017 to 04/30/2018 to be passed through to the GS/OAS for full project implementation;

That PADF may continue to apply for U.S. Department of Commerce grants in the future to continue funding its cooperation activities with the GS/OAS under this or an agreed upon modified Supplementary MOU; and,

That the GS/OAS is the central and permanent organ of the OAS and is authorized to carry out relations of cooperation in accordance with Article 112(h) of the Charter and OAS General Assembly Resolution AG/RES. 57 (I-O/71);

HAVE AGREED to enter into this Supplementary MOU:

ARTICLE I PURPOSE

1.1. The purpose of this Supplementary MOU is to establish a framework to facilitate the collaboration between the PADF and the GS/OAS to support competitiveness, innovation and entrepreneurship in the Americas through the ACE program.

ARTICLE II OBLIGATIONS OF PADF

2.1. If agreed by both Parties, PADF shall submit other grant proposals and necessary supporting documents to the U.S. Department of Commerce (hereinafter the "Donor") for grants established by the Donor open for consideration and applications from host regions of the ACE program in the United States, and PADF shall receive the contributions from grants approved by Donor to support ACE programs in the context of this Supplementary MOU before transferring them to the GS/OAS on a payment schedule to be agreed by the Parties.

2.2. Wholly contingent upon PADF actual receipt of the Approved Grant contributions from the Donor, and subject to any and all applicable conditions provided in the Approved Grant, PADF shall provide the GS/OAS with the amount of USD \$99,500,000 (ninety-nine thousand, five hundred dollars) (hereinafter the "Contribution") to be transferred in the corresponding amounts disbursed and authorized under the Approved Grant by the Donor, within ten (10) days of receipt by PADF.

2.3. PADF shall transfer the Contribution to the GS/OAS through deposits to the account specified by the GS/OAS identified in Article 5.2 of this Supplementary MOU.

2.4. PADF shall, to the extent necessary, be responsible for submitting the reports and documentation required by the platform provided by the Donor and required by the terms and conditions of the Approved Grant and any future grants.

**ARTICLE III
OBLIGATIONS OF THE GS/OAS**

3.1. The GS/OAS has exclusive responsibility for the administration of the Contribution, in accordance with clause 2.2 of this Supplementary MOU.

3.2. The GS/OAS is responsible for the execution of the activities indicated in Annex 1, the use of the Contribution, and the preparation of technical and draft financial reports required by the applicable terms and conditions of the Approved Grant, carrying out consultations and collaboration with the Donor's technical team managing the Approved Grant. PADF shall review and certify the draft financial reports prior to be submitted to the Donor as set out in article 2.4.

3.3. The GS/OAS shall acknowledge the support of PADF and facilitate the participation of PADF leadership and partners in the ACE program, and facilitate mutually beneficial collaboration opportunities between PADF and the GS/OAS under the ACE program.

**ARTICLE IV
COORDINATION AND NOTICE**

4.1. Within the GS/OAS, the dependency responsible for coordinating GS/OAS activities under this Supplementary MOU is the Department of Economic Development of the Executive Secretariat of Integral Development and the Coordinator is Mr. Cesar Parga, Chief of the Competitiveness, Innovation and Technology Section.

Notifications and communications should be directed to the Coordinator at the following street address, phone number, and electronic mail:

General Secretariat of the OAS
Cesar Parga
Chief, Competitiveness, Innovation and Technology Section
Department of Economic Development
1889 F Street, N.W.
Washington, D.C. 20006
United States of America
Tel.: (202) 370-5421
Electronic Mail: cparga@oas.org

4.2. The Coordinator responsible within PADF for the activities under this Supplementary MOU is Mr. Bernard Fructuoso, Director of Finance.

Notifications and communications should be directed to the Coordinator at the following street address, phone number, and electronic mail:

Bernard Fructuoso
Director of Finance
Pan American Development Foundation (PADF)
1889 F Street NW, Washington DC 20006
Tel. (202) 458-6252
E-mail bfructuoso@padf.org

4.3. All communications and notifications under this Supplementary MOU will be validly made only when they are sent by mail or electronic mail and are addressed to the Coordinators whose names are set out in Articles 4.1 and 4.2 of this Supplementary MOU. When the communications and notifications are transmitted by electronic mail they shall be valid if and when they are sent directly from the electronic address of the Coordinator of one of the Parties to the electronic address of the Coordinator of the other.

4.4. Either Party may change the responsible dependency, the designated Coordinator, the address, telephone, fax or electronic mail indicated by notifying the other Party in writing.

ARTICLE V FINANCIAL PROVISIONS

5.1. The transfer of funds of the Contribution shall be implemented through a deposit of checks or bank transfers.

5.1.1. The transfer of Contribution funds by check shall be made payable to the OAS General Secretariat to the following address:

OAS General Secretariat
Department of Financial Services
Attention: OAS General Secretariat Treasurer
GSB 4th Floor
1889 F St., NW,
Washington, DC 20006

5.1.2. Bank transfers within the United States and Canada shall be submitted to:

Bank full name: Bank of America
Bank short name: Bank of America
ABA/Routing #: 054001204
Bank's address: 730 15th Street, N.W.,
Washington, D.C. 20005-1012, USA
Account number: 002080125354
Account name: OAS General Secretariat

* Include reference to: ACE Program SEDI

5.2. The GS/OAS shall manage the Contribution in accordance to GS/OAS rules and procedures, including management and financial requirements, internal and/or external audits, and cost associated with Donor contributions.

ARTICLE VI CIVIL RESPONSIBILITY AND INDEMNIFICATION

6.1. The Parties assume full responsibility for the claims and damages directly and proximately caused by actions or omissions of their corresponding representatives, officials, employees and contractors.

6.2. If for any reason a third party should file a claim against one of the Parties in relation to the execution of this Project, the responsible party shall be considered as the principal vis-à-vis the claimant and the sole party obligated to respond. The responsible party shall further be required to indemnify the other party for any damages it may suffer as a result of these claims, including court costs and attorney's fees.

ARTICLE VII PRIVILEGES AND IMMUNITIES

7.1 Nothing in this Supplementary MOU constitutes an express or implied waiver of the privileges and immunities of the OAS, the GS/OAS, its personnel, and its assets, in accordance with the OAS Charter, relevant agreements, applicable national law, or the general principles and practices of international law.

ARTICLE VIII DISPUTE RESOLUTION

8.1 Any dispute or complaint that may arise in conjunction with the application or interpretation of this Supplementary MOU shall be settled by direct negotiations between the Parties. If a solution satisfactory to both Parties cannot be reached then the Parties shall submit their differences to arbitration pursuant to the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL) currently in effect. The place of arbitration shall be Washington D.C, U.S.A. The language in the proceedings shall be English, unless the Parties agree otherwise. The three arbitrators or, as the case may be, the one arbitrator shall decide the dispute as *amiable compositeur* or *ex aequo et bono*. The arbitrator's decision shall be final, binding and not subject to appeal.

8.2 The law applicable to the arbitration proceedings and to this Supplementary MOU shall be the law of the District of Columbia, USA.

ARTICLE IX GENERAL PROVISIONS

9.1. Any and all funding of the Contribution or other future grants referred to in this Supplementary MOU are contingent upon the actual provision of funds to PADF from the Donor.

9.2. The Parties agree to observe the highest ethical standards and administrative transparency in all actions and activities related to this Supplementary MOU. In addition, the GS/OAS, to the extent applicable and without prejudice to its privileges and immunities referred to in Article VII, and PADF agree to comply with the provisions of the Inter-American Convention Against Corruption.

9.3. Modifications to this Supplementary MOU may only be made by mutual agreement in writing by the duly authorized representatives of the Parties. The instruments in which the modifications are set out shall be attached as annexes to this Supplementary MOU and shall form part of it.

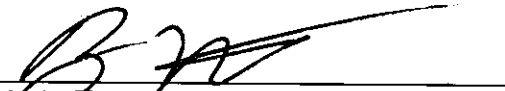
9.4. This Supplementary MOU shall enter into force upon signature by the duly authorized representatives of the Parties and shall remain in force throughout the implementation of the grant by December 30, 2018.

9.5. This Supplementary MOU may be terminated by mutual consent or by either of the Parties by written notice from one to the other with not less than thirty days' notice.

9.6. Articles VI, VII and VIII shall survive the expiry or the termination of this Supplementary MOU.

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this Supplementary MOU in duplicate on the date and at the place indicated below:


**FOR:
The Pan American
Development Foundation:**

FOR 
Katie Taylor
Executive Director

Place: WASHINGTON, DC

Date: 12/22/17

**FOR:
The General Secretariat of The
Organization of American States:**


Kim Osborne
Executive Secretary for Integral Development

Place: WASHINGTON, DC

Date: 12/22/2017

**ANNEX 1
TO
THE SUPPLEMENTARY MEMORANDUM OF UNDERSTANDING
BETWEEN
THE PAN AMERICAN DEVELOPMENT FOUNDATION
AND
THE GENERAL SECRETARIAT OF THE ORGANIZATION OF AMERICAN STATES
TO SUPPORT COMPETITIVENESS, INNOVATION AND ENTREPRENEURSHIP IN THE
AMERICAS**

The grant proposal approved by EDA Award - ED17HDQ3030041 contemplates two Americas Competitiveness Exchange (ACE) programs to be hosted in the United States with the participation of 50 decision makers from more than 25 economies in the Americas and beyond by April 2018, one in Central Texas (April 2017) and one in Central-North Florida (December 2017).

ACE is an innovative regional engagement which fosters and facilitates win-win collaboration and partnerships by advancing economic opportunities, innovation and entrepreneurship. ACE serves as a pilot project connecting leaders from the public, private, and academic sector to share successful practices and experiences accelerating business development and supporting an integrated approach between federal, state, and local governments. Furthermore, it supports the coordinated participation of several Federal departments and agencies of the United States as part of the high-profile effort to identify and showcase key partnership-ready assets and capabilities in the regions and clusters profiled in each of the ACE programs.

As a hemispheric forum, the General Secretariat of the Organization of American States (GS/OAS) convenes high level authorities to articulate efforts and collectively discuss and improve on public policies, exchange experiences and carry out horizontal cooperation in open networks. All Organization of American States (OAS) Member States, regardless of their size and capabilities, are able to contribute and learn from each other to find pragmatic solutions addressing common problems.

The OAS serves as the Technical Secretariat of the RIAC, a political platform that brings together High-Level Authorities of Economy, Industry, Trade, SMEs and Competitiveness of the 34 OAS Member States. In the context of RIAC, and in partnership with the Governments of the United States, Mexico, Argentina and Canada, the GS/OAS supports the strengthening of capacities of ecosystems of innovation and entrepreneurship of the region through the ACE.

The ACE are designed to build networks around the Western Hemisphere and the world to create better Innovation and Entrepreneurship Ecosystems to promote sustainable and inclusive economic development.

ACE is convened in the context of the RIAC by the Government of the United States, through its Department of Commerce, the International Trade Administration (ITA), the Economic Development Administration (EDA) and the U.S. Department of State; and the GS/OAS as the RIAC Technical Secretariat and the Chair Pro Tempore of RIAC (the Government of Mexico in 2016 and Argentina in 2017).

I. Objectives

- a. Support the implementation of policies, regulatory frameworks, and instruments that stimulate sustainable economic growth by advancing competitiveness, innovation and entrepreneurship;
- b. Strengthen the ability of stakeholders to undertake long-term partnerships and institutional capacity to support mutually beneficial trade, innovation, research and development, technology transfer, investment and innovative businesses to startup and expand; and
- c. Stimulate development of inclusive and effective entrepreneurial ecosystems which can improve the quality of life of citizens and societies.

II. The nature and extent of the anticipated results:

Output 1:

Best practices in economic development, including examples of economic development initiatives that support local innovation and entrepreneurship ecosystems, public and private partnerships, cluster development, and coordinating regional economic development strategies identified and shared through the ACE.

Expected result: At least 30 best practices gathered, analyzed and promoted.

Output 2:

Collaboration between universities, industries, and governments of the Americas promoted by facilitating ACE follow-up efforts, including institutional collaboration and capacity building initiatives for public officials, private sector and university leaders, entrepreneurs, advisors to innovative SMEs and technology managers of OAS Member States in sectors identified as priorities for local development.

Expected result: At least 10 collaborations identified and monitored.

Output 3:

Mutually beneficial partnerships between research centers, universities, and private sector associations, developed by linking business accelerators, incubators, technology parks and other similar entities through public-private partnerships and the leveraging of localized assets.

Expected result: At least 10 partnerships consolidated.

Output 4:

Inclusive entrepreneurship in the region promoted by working on initiatives in the context of ACE and the Inter-American Competitiveness Network (RIAC) to support starting and growing businesses.

Expected result: At least 10 examples of inclusive entrepreneurship achieved.

III. Funding

Funding from the Supplementary MOU shall be used to facilitate ACE programs based in the United States under the DOC-GS/OAS MOC.

Pursuant to the grant proposal approved by EDA Award - ED17HDQ3030041, funding shall cover the following items:

The GS/OAS will support the preparations of two ACE programs to be held in the United States by April 2018, undertaking the following actions:

- Coordinate institutional procedures for the GS/OAS approval and endorsement of ACE events in OAS Member States and High-level Inter-American Fora convened by the OAS in collaboration with OAS Member States, such as RIAC meetings of Ministers and High Level Authorities, Meetings of Ministers of Science and Technology, SME or any other relevant development issues.
- Support with the scheduling, planning, execution, and follow-up of the ACE events.
- Prepare the documents, develop, and execute a communication strategy that includes the development of a website for the activity, the call for applications, social media and web campaign (Flick, Youtube, Twitter, Facebook), and drafting and dissemination of information through RIAC and OAS official networks.
- Follow up with OAS Member States to ensure communications through the official channels and outreach with high-level decision makers from the public, private and academic sectors, including through information webinars and other promotional activities.
- Develop online reference material for the event (Application Guide, Trip Book – A Policy Handbook, etc).
- Support in situ the delivery of the program through the duration of the event.
- Contribute to the report and follow up on outcomes and results of the event, including through surveys, identification of collaboration opportunities, and official reporting to OAS' authorities (results, interviews, photo and video gallery).
- Coordinate video film services for the duration of the tour, by procuring for the services of a videographer who has experience with recent ACE tours. Services include: to record the entire trip, editing and production of daily summary video compilations for web publishing, as a 5 minute summary video of the entire tour at the end.

ACE follow-up to support follow up implementation of partnership opportunities between research centers, universities, private sector associations, business accelerators, incubators, technology parks and other similar entities from the United States with similar partners from other RIAC members, in particular smaller economies.