

FOIA MARKER

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Folder Title:

[September/October 1997 Travel] [Binder]: President of the United States Travel to South America, October 1997 [3]

Staff Office-Individual:

Special Envoy for the Americas-Farnsworth, Eric

Original OA/ID Number:

CF 1047

Row:	Section:	Shelf:	Position:	Stack:
26	6	7	1	V

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. memo	Antony Blinken and David Leavy to Samuel Berger, et al., re: Preliminary Communications Plan for the President's Trip to South America (8 pages)	08/12/1997	P1/b(1)
002a. memo	Peter Allgeier to Jim Dobbins and Lael Brainard, re: Possible Mercosur Meeting during POTUS Trip (1 page)	08/08/1997	P1/b(1)
002b. email	James Dobbins to National Security Advisor, re: Meeting with Barshefsky (2 pages)	08/04/1997	P1/b(1)
002c. memo	Eric Farnsworth to Mack McLarty, re: Planning for October Trip to South America (1 page)	07/14/1997	P1/b(1)
003. memo	Eric Farnsworth to Mack McLarty, re: Planning for October Trip to South America (1 page)	07/14/1997	P1/b(1)
004. memo	James Dobbins to Samuel Berger, re: Planning for the October Trip to South America (2 pages)	07/11/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
 Special Envoy for the Americas
 Farnsworth, Eric
 OA/Box Number: CF 1047

FOLDER TITLE:

[September/October 1997 Travel] [Binder]: President of the United States Travel to South America, October 1997 [3]

2009-1155-F

ke2543

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

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UNCLASSIFIED

WHITE HOUSE SITUATION ROOM

PAGE 01 OF 04

PRT: FUERTH MCLARTY

SIT: DELAURENTIS DESOUZA DOBBINS HOFMANNK PICCONE VP

SIT: NSC

<PREC> IMMEDIATE <CLAS> UNCLASSIFIED <DTG> 051231Z SEP 97

FM AMEMBASSY BRASILIA

TO RUEHC/SECSTATE WASHDC IMMEDIATE 8669
INFO RHEHNSC/NSC WASHDC IMMEDIATE
RUEHIA/USIA WASHDC IMMEDIATE 0879
RHEHAAA/WHITE HOUSE WASHDC IMMEDIATE
UNCLAS SECTION 01 OF 02 BRASILIA 004066

① Eric
② Andrew
③ Nelson
potus travel

WHITE HOUSE FOR NPR / LISA MALLORY

NSC PASS TO OVP - LEON FUERTH

E.O. 12958: N/A

TAGS: OVIP, PREL, KTIA, KSMI, EAID, BR

SUBJECT: DELIVERABLE FOR PRESIDENTIAL VISIT: AGREEMENT FOR COOPERATION ON REINVENTING GOVERNMENT

REF: (A) BRASILIA 3735 (B) BRASILIA 3556
(C) MALLORY-FEATHERSTONE 8/27 TELCON

1. ACTION REQUEST: AMBASSADOR REQUESTS DEPARTMENT'S GUIDANCE ON PROPOSED AGREEMENT (TO BE SIGNED, IF POSSIBLE, ON OCTOBER 14 DURING PRESIDENT CLINTON'S VISIT) FOR USG-GOB TECHNICAL COOPERATION ON REINVENTING GOVERNMENT. PER AGREEMENT, NATIONAL PERFORMANCE REVIEW (NPR) WOULD IDENTIFY EXPERTS FROM USG AGENCIES WHO COULD SHARE WITH THE BRAZILIANS THEIR EXPERIENCES IN REINVENTING GOVERNMENT. NPR CHIEF OF STAFF LISA MALLORY INDICATED IN REF C TELCON WITH EMBASSY POLOFF THAT NPR WOULD BE SATISFIED WITH TEXT IN PARA 3 (WHICH IS A REVISED VERSION OF TEXT IN REFTEL A). BRAZIL'S MINISTRY FOR FEDERAL ADMINISTRATION AND STATE REFORM (MARE) ALSO ACCEPTS THE REVISED TEXT; WE ARE NOW WAITING FOR STATE DEPARTMENT AND FOREIGN MINISTRY CONCURRENCE.

2. AMBASSADOR BELIEVES IT WOULD BE VERY POSITIVE TO HAVE A "REINVENTING GOVERNMENT" AGREEMENT SIGNED OR ANNOUNCED DURING THE PRESIDENT'S VISIT. THE COOPERATION WOULD CARRY (AT LITTLE COST) A GREAT DEAL OF SYMBOLIC AND PUBLIC RELATIONS VALUE, DRAWING ATTENTION TO THE DESIRE SHARED BY BOTH NATIONS (AND ADMINISTRATIONS) TO MAKE GOVERNMENT MORE EFFICIENT AND RESPONSIVE.

3. PLEASE ADVISE.

4. BEGIN REVISED TEXT OF PROPOSED AGREEMENT:

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AGREEMENT BETWEEN THE GOVERNMENT OF THE FEDERATIVE REPUBLIC OF BRAZIL AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA ON COOPERATION IN THE AREA OF STATE REFORM AND MODERNIZATION OF PUBLIC ADMINISTRATION

THE GOVERNMENT OF THE FEDERATIVE REPUBLIC OF BRAZIL
AND
THE GOVERNMENT OF THE UNITED STATES OF AMERICA
(HEREINAFTER REFERRED TO AS THE "PARTIES"),

RECOGNIZING, WITH GREAT SATISFACTION, THE EXCELLENT LEVEL OF BILATERAL RELATIONS BETWEEN THE TWO COUNTRIES, PARTICULARLY IN THE AREA OF TECHNICAL AND SCIENTIFIC COOPERATION;

RECOGNIZING THE PRIORITY PLACED BY BOTH STATES ON SHARING EXPERIENCES IN THE AREA OF PUBLIC ADMINISTRATION, PRINCIPALLY IN THE AREA OF STATE REFORM AND MODERNIZATION;

CONSIDERING THE COMMON DIRECTION OF EFFORTS BY BOTH COUNTRIES TO BUILD A TRANSPARENT, EFFICIENT AND EFFECTIVE PUBLIC ADMINISTRATION, RESULT-ORIENTED TO MEET THE DEMANDS OF THEIR CLIENTS AND USERS;

CONSIDERING THE INTEREST IN MECHANISMS OF SOCIAL CONTROL AND SYSTEMS FOR MONITORING AND EVALUATING PUBLIC INSTITUTIONS,

AGREE TO THE FOLLOWING:

ARTICLE I

THE PARTIES, IN ACCORDANCE WITH LAWS AND REGULATIONS IN EFFECT IN EACH COUNTRY, COMMIT TO DEVELOPING TECHNICAL COOPERATION ACTIVITIES IN THE FIELD OF STATE REFORM AND MODERNIZATION OF PUBLIC ADMINISTRATION.

ARTICLE II

THE PARTIES AGREE TO DEFINE A SET OF GOALS AND PRIORITIES FOR COOPERATION BY MEANS OF ANNUAL PLANS.

ARTICLE III

THE PARTIES WILL CONSTITUTE A BILATERAL COMMITTEE (HEREINAFTER REFERRED TO AS THE "COMMITTEE") WITH THE MISSION OF PREPARING AND IMPLEMENTING THE ANNUAL COOPERATION PLANS:

A) THE COMMITTEE WILL BE COMPOSED OF AN IDENTICAL NUMBER OF SENIOR GOVERNMENT OFFICIALS, DESIGNATED BY EACH SIDE, NOT TO EXCEED THREE FROM EACH PARTY;

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B) MEMBERS OF THE COMMITTEE WILL BE NAMED, RESPECTIVELY, BY THE MINISTRY OF PUBLIC ADMINISTRATION AND STATE REFORM (MARE) IN BRAZIL AND THE NATIONAL PERFORMANCE REVIEW OFFICE IN THE UNITED STATES;

C) THE COMMITTEE WILL BE IN PERMANENT CONTACT THROUGH THE INTERNET OR OTHER WORLDWIDE NETWORK FOR DATA TRANSMISSION; UNCLAS SECTION 02 OF 02 BRASILIA 004066

WHITE HOUSE FOR NPR / LISA MALLORY

NSC PASS TO OVP - LEON FUERTH

E.O. 12958: N/A

TAGS: OVIP, PREL, KTIA, KSMI, EAID, BR

SUBJECT: DELIVERABLE FOR PRESIDENTIAL VISIT: AGREEMENT FOR COOPERATION ON REINVENTING GOVERNMENT

D) THE COMMITTEE WILL MEET PERIODICALLY AS DEEMED NECESSARY BY ITS MEMBERS. MEETINGS WILL ALTERNATE IN THE CAPITALS OF THE PARTIES;

E) THE COMMITTEE WILL ESTABLISH ITS OWN RULES AND SCHEDULE OF ACTIVITIES, AND WILL BE ABLE TO CREATE, WITHIN ITS AREA OF RESPONSIBILITY, SPECIALIZED TECHNICAL COMMISSIONS;

F) THE COMMITTEE WILL BE ABLE TO INVITE INDIVIDUALS AND/OR NON-GOVERNMENTAL ORGANIZATIONS TO PARTICIPATE IN ITS MEETINGS.

ARTICLE IV

EACH OF THE PARTIES, FOR THE IMPLEMENTATION OF THE EFFORTS DESCRIBED ABOVE, AGREE TO FACILITATE THE VISITS OF SPECIALISTS FROM THE OTHER PARTY, DESIGNATED BY COMMON AGREEMENT, AS WELL AS THE EXCHANGE OF REPORTS, DOCUMENTS AND BIBLIOGRAPHIC MATERIAL, AS THEIR RESOURCES PERMIT.

ARTICLE V

COSTS INCURRED BY THE EXCHANGE OF SPECIALISTS DESCRIBED IN ARTICLE III OF THIS AGREEMENT WILL BE DIVIDED AS FOLLOWS:

A) THE SENDING PARTY WILL BE RESPONSIBLE FOR TRAVEL EXPENSES OF ITS SPECIALISTS;

B) THE RECEIVING PARTY WILL BE RESPONSIBLE FOR ROOM AND BOARD EXPENSES OF THE SPECIALISTS.

ARTICLE VI

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PAGE 04 OF 04

1. EACH OF THE PARTIES WILL NOTIFY THE OTHER OF THE FULFILLMENT OF THE NECESSARY LEGAL REQUIREMENTS FOR APPROVAL OF THIS AGREEMENT, WHICH WILL ENTER INTO FORCE ON THE DATE OF RECEIPT OF THE SECOND OF THESE NOTIFICATIONS AND WILL REMAIN IN FORCE FOR A PERIOD OF THREE YEARS, RENEWABLE, TACITLY, FOR PERIODS OF THREE YEARS. EACH PARTY WILL BE ABLE TO CANCEL THE AGREEMENT AT ANY TIME, WITH SIX MONTHS' ADVANCE NOTICE.

2. CANCELLATION DOES NOT RELIEVE THE PARTIES OF COMMITMENTS TO PROJECTS UNDERWAY.

3. CHANGES TO THIS AGREEMENT ENTER INTO FORCE BY MEANS OF THE PROCEDURE DESCRIBED IN PARAGRAPH ONE OF THIS ARTICLE.

DONE IN BRASILIA, ON THE DAY OF OCTOBER 1997, IN PORTUGUESE AND ENGLISH VERSIONS WHICH ARE EQUALLY AUTHORITATIVE.

FOR THE GOVERNMENT OF THE FEDERATIVE REPUBLIC OF BRAZIL:

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA:

END TEXT

LEVITSKY

<^SECT>SECTION: 01 OF 02
<^SSN>4066
<^TOR>970905090249 M2917449
<^SECT>SECTION: 02 OF 02
<^SSN>4066
<MSGID> M2917449

UNCLASSIFIED

cc: *Amo Maria*

*Brazil
Portals trip
file*

September 3, 1997

INFORMATION

MEMORANDUM FOR MACK MCLARTY

FROM: PATRICK DESOUZA

SUBJECT: U.S.- Brazil Education Initiative

Attached are the following documents which were produced during Minister Souza's visit August 18-19th:

- Memorandum of Understanding - Two year framework with automatic renewals; The MOU establishes a Education Partnership Implementation Commission (EPIC) which will be used to monitor progress in the initiatives set forth in the Annex.
- Annex - Five areas of cooperation; A significant portion of the agenda focuses on the integration of technology with education, especially through internet distribution of content. Also important are initiatives in the areas of standards and testing, exchanges and business, community and family involvement.
- Declaration - strikes themes with which the President has led the way in the U.S. context over the last five years. The declaration also allows for broader themes to be developed with respect to information technology which allows the President to leverage other initiatives such as electronic commerce.

The outcome allows the President to project his leadership in education and technology on the October trip and sets-up the major initiatives for the Santiago Summit. Education as an economic message of preparing our citizens for the global economy of the 21st century will be compatible with both the Sao Paulo stop (businesses need productive citizens) and the Rio stop (alleviation of poverty).

Jim Dobbins met with Paulo Renato while he was here in Washington.

Attachment

Tab A Documents (MOU, Annex, Political Declaration)

**MEMORANDUM OF UNDERSTANDING
ON EDUCATION
BETWEEN THE
GOVERNMENT OF THE UNITED STATES OF AMERICA
AND THE
GOVERNMENT OF THE FEDERATIVE REPUBLIC OF BRAZIL**

1. Within the framework of the Agreement effected by exchange of notes on the "Education Commission for Educational Exchange and Financing of Exchange Programs," that entered into force on October 19, 1966, and the Agreement between the United States of America and the Federative Republic of Brazil relating to "Cooperation in Science and Technology," that entered into force May 15, 1986, and was extended on January 30, 1996, the Government of the Federative Republic of Brazil and the Government of the United States of America, hereinafter referred to as the "Parties," agree to implement a "Partnership for Education" through this Memorandum of Understanding.

2. The Parties intend to enhance and expand cooperative efforts in education within the following framework:

A. The implementation of this Memorandum will be subject to the constitutions and applicable laws and regulations of the respective countries, and will be subject to the availability of appropriated funds in the respective countries. Within this framework, the Parties will make every effort to promote favorable conditions for the fulfillment of this cooperation and these exchanges.

B. The Parties will attempt to identify new areas for joint activities in the field of education and wherever appropriate to strengthen or expand existing programs.

3. In carrying out this Memorandum, the Parties in particular intend to:

A. Encourage and facilitate closer relationships between their respective federal, state and local education agencies and offices, schools and school systems, post-secondary institutions, appropriate educational organizations, other educational entities, and private sector establishments involved in education in the two countries; and

B. Encourage mutually beneficial educational activities involving policy makers, researchers, scholars, faculty members, teachers, educational administrators, and other specialists.

C. The Parties intend to emphasize the following topics in their cooperative activities: effective uses of technologies in education; activities aimed at ensuring that every child learns through educational standards, assessments, and indicators; strengthening preparation of

teachers and school managers; increasing educational exchanges; and enhancing family, community and business involvement in education.

4. Specific mutually agreed-upon activities to be undertaken pursuant to this Memorandum are included in the Annex. Additional annexes may provide for new activities as mutually agreed upon by the Parties.

5. The U. S. executive agency with primary responsibility for implementing this Memorandum is the Department of Education, in consultation with the Department of State and the United States Information Agency, the Agency for International Development, the National Science Foundation, and the National Endowment for the Humanities. The executive agency of the Federative Republic of Brazil with primary responsibility for implementing this Memorandum is the Ministry of Education and Sports, in consultation with the Ministry of External Relations, the Ministry of Science and Technology, and the Ministry of Communications. Other agencies may be invited to participate in this Partnership on both sides.

6. The Parties establish an Education Partnership Implementation Commission (EPIC) in which the representatives of the Parties will meet periodically to review progress made in implementing programs in each of the five major substantive areas that make up the Partnership. The preparation for such meetings, their timing and their agendas will be established through diplomatic channels.

7. Unless otherwise agreed, each Party and executive agency shall bear the costs of its participation.

8. This Memorandum shall take effect upon signature and remain in force until December 31, 1999, after which it will be automatically extended for successive two-year periods unless one Party notifies the other in writing of the termination thereof no later

than June 30, 1999, or thereafter not less than six months prior to the expiration of any such two-year period.

DONE at Brasilia

on

In duplicate, in the English and Portuguese languages, both texts being equally authentic.

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA

FOR THE GOVERNMENT OF THE
FEDERATIVE REPUBLIC OF BRAZIL

ANNEX

In the implementation of the Memorandum of Understanding, the Parties have agreed on the following activities for the period November 1, 1997 through December 31, 1999.

Technology in Education

1. The Parties will put forward their best efforts to facilitate cooperative development, testing and evaluation of both new and existing technologies, in order to share knowledge on how they can best be used to enhance learning and communication. The Parties recognize that education and the development of a modern information infrastructure are the keys to the future in promoting economic growth and opportunity.

These efforts will be implemented through activities such as the following:

2. Launch a dialogue with the private sector in both countries on developing a range of solutions for using technology in the classroom.
3. Exchange research and evaluation findings on the impact and effectiveness of technology in education on student learning and work to engage the private sector in holding meetings of experts on the effectiveness of distance learning and computer-based instruction.
4. Cooperate on the parallel development, deployment, and evaluation of applications and tools for the Next Generation Internet Initiative (NGII) through training human resources, installing, as appropriate, state-of-the-art equipment and software, and implementing high bandwidth testbed experiments. Both governments will work to expand the collaboration of the education and science communities in these research and education efforts.
5. Seek to create a jointly sponsored internet-based site on the languages and cultures of Brazil and the United States. The internet site, to be developed by teacher training universities in Brazil and the United States, would be designed to make accessible in one place standards-related teaching materials on two languages and cultures to facilitate substantive interaction between Brazilian and American teachers.
6. Explore ways to link United States and Brazilian classrooms, teachers and students using computer and telecommunications technology. This might include a launch of an internet-based teachers forum and/or the expansion of an international, internet-based

student network such as Project GLOBE. Explore possibilities of creating shared repositories of internet-based courseware.

7. Take steps to facilitate the establishment of United States-Brazil school-to-school relationships among leaders in specific aspects of technology.
8. Cooperate to facilitate learning of both English and Portuguese as second languages (ESL and PSL), through the use of technology.

Educational Standards, Assessments and Indicators

9. Jointly convene a policy dialogue on establishing educational standards in decentralized systems. Invite policy makers and other experts from Brazil and the United States, from the national and state levels, to share experiences in establishing standards.
10. Engage in cooperative efforts to review and facilitate development of standards-based student assessment, by sharing experiences and technical expertise on national-level design and implementation of large scale assessments to evaluate student performance, in the context of helping all children to reach the standards.
11. Work cooperatively to develop world-class systems of education statistics and indicators compatible with existing (OECD and UNESCO) international indicator efforts.
12. Engage in joint research and study about enhancing reading and mathematics achievement in the early grades.
13. Exchange information and technical experts to facilitate the participation of both countries in the next round of the Third International Mathematics and Science Study (TIMSS).

Strengthening Professional Development of Teachers and School Managers

14. Initiate a dialogue about improving programs for the preparation of teachers and school managers.
15. Explore with appropriate authorities, including at the state level, the feasibility of establishing exchanges of United States and Brazilian primary and/or secondary school teachers of English and Portuguese as second languages, to strengthen the language and cultural skills of these teachers and build the capacity of local communities in both countries to provide appropriate instructional programs.
16. Cooperate to improve the teaching and learning of science.

17. Exchange and jointly evaluate designs and methodology of professional development for teachers, including programs delivered through distance learning.

18. Exchange information and explore the possibility of conducting joint research on training principals to implement school-based management.

Increasing Educational Exchanges Between the United States and Brazil

19. Establish an exchange program for United States and Brazilian students majoring in mutually agreed upon academic areas, such as engineering and technology, to spend up to one calendar year in our respective countries attending classes and interning in firms related to their areas of study.

20. Establish methods for enhancing institutional linkages between United States and Brazilian universities and other educational institutions to enhance the mobility of faculty and students and promote mutual recognition of credits and studies.

21. Hold a seminar in Brazil for United States university faculty members and/or school teachers to enhance an interdisciplinary understanding of Brazilian culture. Hold a seminar in the United States for Brazilian professors and/or school teachers to enhance an interdisciplinary understanding of United States culture.

Enhancing Business, Community and Family Involvement in Education

22. Establish a dialogue and facilitate consultation by experts to share practical experiences in strengthening the involvement of businesses, communities and families in education, and, explore avenues for encouraging expansion of school-business partnerships to improve the quality of education.

Further Activities

23. The Parties, in consultation with appropriate agencies, may engage in other activities to carry out the purposes of this Memorandum of Understanding as may be agreed upon by the Parties through exchange of letters.

THE UNITED STATES-BRAZIL PARTNERSHIP FOR EDUCATION

1. We the Presidents of the United States and Brazil recognize that a new reality is reshaping the world and that our citizens must be prepared to meet the challenges of a globalized world in the 21st century. Education is the key to the future. We recognize that working together we will harness inevitable change to the benefit of families in our countries.
2. Literacy and a first-class educational foundation are critical determinants to the well-being of our citizens, the strength of our economies, and preserving the values we as democratically-elected leaders hold dear.
3. Skilled and educated people are the foundations of strong democracies and market economies. We must, therefore, ask more of our educational systems than ever before. Our governments have similar initiatives promoting the development of modern information infrastructures that will facilitate economic growth and will be the foundation of new ways to teach and learn. Our students must be able to compete in a new and constantly-changing job market. This requires access to life-long learning programs and the ability to participate in and benefit from varied cultures outside our borders; and process and organize more and disparate information than ever before. Education is needed to participate actively and knowledgeably in democratic, plural and diverse societies.

4. The democracies of our hemisphere, which will take part in the next Summit of the Americas to be held next April in Santiago, agree that education must be a central element in our shared agenda. Bearing in mind the urgency of prompt, effective action, as a top priority we have separately launched, within our respective countries, new initiatives to raise the quality of education, particularly in the primary and secondary levels.

5. And together, today, we hereby establish the United States-Brazil Partnership for Education. Expanding exchanges, upgrading standards, enhancing teacher training, increasing participation by the family, community and business as well as incorporating new technology underpin our partnership.

Cooperation in the Development and Use of Technologies in Education

6. New technologies make possible the broad dissemination of information and permit new teaching methods and practices such as distance learning and the use of computers. In addition, students must also master new technologies in preparation for a changing workplace and take part in economic development. We will take advantage of technologies such as the Internet to broaden cultural and language contacts for our students and teachers. We will jointly test and evaluate existing technologies, and facilitate development of appropriate new technologies, while engaging the private sector to assist with their introduction into the classroom.

Ensuring that Every Child Learns Through Educational Standards, Assessments, and Indicators

7. Evaluating the performance of educational systems requires a clear definition of what schools should teach and what students are expected to know, as well as effective tools for measuring progress. Our governments will each establish standards for student performance in key subjects at appropriate levels, as well as the means to measure them. We will share experiences and information regarding progress on a continuous basis.

Strengthening Preparation and Professional Development of Teachers and School Managers

8. Excellent schools require excellent teachers and managers. We will seek to have qualified, dedicated teachers in all classrooms, at all grades. To support this goal, we will exchange experiences and evaluate alternative models for teacher preparation and training for school management officials. We will especially consider ways to improve training for science teachers of scientific disciplines at the primary and secondary levels.

Increasing Educational Exchanges Between the United States and Brazil

9. Already sharing a wide array of public and private educational exchange programs, the United States and Brazil will seek to expand exchanges at all levels, focusing on the priorities in this declaration. We will utilize existing and new mechanisms to

establish a student exchange program for university students in mutually agreed areas such as engineering and technology. We will also consider a program of exchanges for language teachers to strengthen language skills and cultural ties between our countries. To assist private programs, we will explore methods for linking institutions to promote mutual recognition of educational credits.

Enhancing Family, Community, and Business Involvement in Education

10. Opportunities for learning extend beyond the formal classroom. Parents, family members, employers, employees, older students, and volunteers can effectively participate in the education of children, especially in literacy enhancement. We reaffirm that the private sector is partner in education and will promote its involvement in such areas as combatting illiteracy and student dropout rates and enhancing school administration and overall school development

Implementing the Partnership

11. Finally, to ensure our partnership is vigorously implemented, we hereby establish the Education Partnership Implementation Commission (EPIC). Through regular meetings, EPIC will monitor implementation of actions outlined in the annex to the Memorandum of Understanding to which our governments subscribe today, as well as

periodically formulate new actions. In furtherance of the precepts set forth in this Declaration, EPIC will also seek participation of the private sector and members of the public in implementation of this agreement. Working together, we will reinforce our common resolve, deepen our bonds of friendship, and prepare our children for the coming century.



U

U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

OFFICE OF THE ADMINISTRATOR

① Nelson
② [unclear]
③ Andrew

September 10, 1997

Memorandum for: Thomas F. McLarty
Counselor to the President
Special Envoy for the Americas

From: Aida Alvarez, Administrator
U.S. Small Business Administration

Re: Proposed Speech on Small Business

part
trip

Aida Alvarez

I am writing to follow up on our conversation at the Fast Track briefing last week. This memorandum requests your support for asking the President to deliver a speech on small business during his upcoming trip to Latin America. I believe the speech could serve to highlight three important points: 1) the importance of small business to the American economy; 2) the role that a strong and growing small business sector can play in economic and political development in Latin America; and 3) the increasing opportunities for trade with Latin America by small businesses.

I met recently with Ron Scheman at the InterAmerican Development Bank. He is also very supportive of having the President speak on the role that small- and medium-sized businesses can play in economic and political development in Latin America. Ron has connected the SBA to an organization in Latin America – Programa Bolivar – that supports the development of the small business sector there. Programa Bolivar identifies business opportunities for small- and medium-sized firms and provides direct assistance in helping those firms find suitable partners in other countries. The Institute's structure and services, including its network of offices throughout Latin America, resemble SBA's nationwide operation, especially SBA's more than 1,000 Small Business Development Centers.

As SBA is often noted for its comprehensive and effective services and programs for small businesses, the Programa Bolivar has expressed an interest in working with the SBA on joint ventures and on a strategy to assist U.S. small businesses in establishing alliances with businesses in the Latin America countries. It is clear that such a collaboration would benefit the economies of all the countries involved.



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U.S. Small Business Administration



Championing America's Entrepreneurs

Fax Transmission Cover Sheet

To: Mac McLarty

Organization: Counselor to the President

Telephone: 456-2000 Fax: 456-2464

Date: 09-10-97

Number of Pages (including this page): 2pp

From: Paul Weech

Office: Chief of Staff

Telephone: 456-6682 Fax: 456-6802

Message:

Proposed Speech on Small Business

Did you know the SBA ...

Has a portfolio guaranteeing over \$29 billion in loans to 200,000 small businesses that otherwise would not have had such access to capital?

Guaranteed over \$2,700 loans totaling \$10 billion to America's small businesses in fiscal year 1996?

Last year extended management and technical assistance to nearly 850,000 small businesses through its 950 Small Business Development Centers and 13,000 Service Corps of Retired Executives volunteers?

Provided more than 38,000 loans totaling \$987 million to disaster victims for residential, personal property, as well as business losses in fiscal year 1996?

Has 7,000 private sector lenders as partners providing their capital to small businesses?

Has increased its venture capital program with more private capital in the past two years than in the previous 15 years combined?

Provides loan guarantees and technical assistance to small business exporters through U.S. Export Assistance Centers in 15 cities?

Can be contacted through the SBA Home Page on the Internet (<http://www.sba.gov>)?

Can respond to written small business questions through the U.S. Business Advisor on the Internet (<http://www.business.gov>)?

Did you know that America's 22 million small businesses ...

Employ more than 50 percent of the private workforce,

Generate more than half of the nation's Gross Domestic Product, and

Are the principal source of new jobs?

SBA ADMIN. OFFICE

NO.029

P.2/2



OFFICE OF THE ADMINISTRATOR

U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

September 10, 1997

Memorandum for: Thomas F. McLarty
Counselor to the President
Special Envoy for the Americas

From: Aida Alvarez, Administrator
U.S. Small Business Administration

Re: Proposed Speech on Small Business

I am writing to follow up on our conversation at the Fast Track briefing last week. This memorandum requests your support for asking the President to deliver a speech on small business during his upcoming trip to Latin America. I believe the speech could serve to highlight three important points: 1) the importance of small business to the American economy; 2) the role that a strong and growing small business sector can play in economic and political development in Latin America; and 3) the increasing opportunities for trade with Latin America by small businesses.

I met recently with Ron Scheman at the InterAmerican Development Bank. He is also very supportive of having the President speak on the role that small- and medium-sized businesses can play in economic and political development in Latin America. Ron has connected the SBA to an organization in Latin America - Programa Bolivar - that supports the development of the small business sector there. Programa Bolivar identifies business opportunities for small- and medium-sized firms and provides direct assistance in helping those firms find suitable partners in other countries. The Institute's structure and services, including its network of offices throughout Latin America, resemble SBA's nationwide operation, especially SBA's more than 1,000 Small Business Development Centers.

As SBA is often noted for its comprehensive and effective services and programs for small businesses, the Programa Bolivar has expressed an interest in working with the SBA on joint ventures and on a strategy to assist U.S. small businesses in establishing alliances with businesses in the Latin America countries. It is clear that such a collaboration would benefit the economies of all the countries involved.



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MEMORANDUM

Patricia King

FILE CLASSIFICATION: Lip9.10

DATE: September 10, 1997

TO : David Lipton, Assistant Secretary ① Nelson

CC : Mack McLarty, Special Assistant to the President ② Andrew
Amb. Jeffrey Davidow, Assistant Secretary ③ G. H. O.
Amb. James Dobbins, Special Assistant to the President
Mark Schneider, Asst. Administrator
William Schuerch, DAS

FROM : L. Ronald Scheman, US EXD

SUBJECT : President Clinton's Mission to Argentina, Brazil and Venezuela

Attached is a short summary of IDB activities in Argentina, Brazil and Venezuela as background for the President's impending trip to those countries. As you can see, the programs are large and comprehensive with annual approvals exceeding a billion dollars each in Argentina and Brazil.

There is additional information on specific sector programs that may be relevant depending on the bi-lateral agenda. If that is of interest, please advise me of the major agenda items and Cabinet members that may participate in bi-lateral meetings and we will prepare special sectoral reports on the substance of the Bank's projects and the ways that may be helpful furthering US policy goals.

ARGENTINA
Relations with the Inter-American Development Bank

BANK STRATEGY

The IDB's strategy for Argentina targets the government's commitment to improve efficiency within all levels of government:

- The Bank is providing financial support in excess of \$1 billion per year to foster economic and state reform, especially at the provincial and municipal levels. Loans are specifically targeted at provincial fiscal adjustment, improving health care, education, housing and sanitation and socioeconomic infrastructure to complement private investment and facilitate more modern production systems.

History: Since the inception of operations, the Bank has approved roughly \$10 billion in 177 loans for Argentina. The Bank's annual approvals for Argentina in 1991-96 averaged more than \$1 billion (up from an annual average of \$346 million from 1985-89). The current total is 37 loans in execution to Argentina totaling \$6.3 billion, approximately 14% of the Bank's debt portfolio. During 1991-6, the loans were initially focused on supporting structural reforms in the public sector, privatizing public enterprises, restructuring external debt, and opening up the country's investment climate. The loans since 1993 have been largely for investment projects in the social and productive sectors and, to a lesser degree, to consolidate the reform of the State. The financial crisis of early 1995 created a pressing need for fast-disbursing funds, and the bank responded quickly by approving two operations: \$750 million to the strained banking system and \$450 million targeted to protect social programs for the poor from budget cuts.

Project Portfolio: The bulk of the Bank's outstanding portfolio to Argentina consists of investment projects and 29 technical cooperations. From 1991-96, the sector distribution of loans was as follows:

- Reform of the State (48%)
- Social Sectors (30%)
- Productive Sectors (22%)

Social Sector and Environment Activities: Given its recent high-unemployment, projects aimed at reducing poverty have been a high priority. The bank has also been working with the government authorities on sustainable environmental projects as an integral part of the bank's overall strategy for Argentina. Some recently approved projects supporting these sectors are:

- National Plan for Youth Productivity and Employment. \$370 million loan to create emergency jobs for the poorest of the unemployed and to provide for school retention scholarships, training and guidance for job placement.
- Potable Water and Sewage in Santa Fe. \$85 million loan to improve the water and sanitation conditions in the province of Santa Fe.

- Small Business. A major \$300 million loan to Banco Inversion y Comercio Exterior (Argentina's Export-Import Bank) to support small and medium-sized enterprises.

Project Pipeline: The IDB's 1997/1999 project pipeline for Argentina currently consists of some 25 proposals, totaling roughly \$3.2 billion. Below are two of the larger programs expected to come before the Board in 1997:

- Reclamation Mantanza-Riachuelo Program for the decontamination of the major river in the Federal Capital (greater Buenos Aires). Proposed IDB funding: \$250 million.
- Major Cities Program Plan for comprehensive urban development, including institutional development and investments for the cities of Cordoba, Mendoza, Rosario, and Tucuman. Proposed IDB funding: \$260 million.

Sector Activity: IDB lending to Argentina has been allocated to the following sectors:

- Agriculture (3%)
- Education (7%)
- Energy (2%)
- Reform of the State (40%)
- Sanitation (10%)
- Science & Technology (2%)
- Social Investment (13%)
- Transportation (7%)
- Urban Development & Housing (5%)

BRAZIL

Relations with the Inter-American Development Bank

Bank Strategy

The IDB's strategy for Brazil focuses on three priority areas of action in the Government's development program. These are:

- * Opening the economy through improvements in productive infrastructure;
- * Addressing socioeconomic inequities and poverty alleviation by increasing the effectiveness of social spending; and
- * Modernization and strengthening of the state at the federal and sub-federal levels;

History: Brazil is the IDB's largest borrower. Since its inception in 1961, the Bank has approved \$14.1 billion in loans to Brazil, and has disbursed \$8.8 billion. Outstanding loans were \$3.6 billion at end-1996, or 13.8% of total lending by the IDB. The IDB is financing major urban renewal programs in Brazil focusing on the poorest and most vulnerable populations. Projects include: a project to provide one-third of Rio de Janeiro's slum dwellers with full urban services, including day care centers, an urban development in Parana which aims to develop municipal capacity to mobilize private sector capital through local banks and access to bond markets, a favela improvement project in Sao Paulo, and a program to help children and adolescents living in poverty in Ceara. On the energy front, the Bank, along with the World Bank, is playing a key role in financing the \$2.3 billion Brazil-Bolivia gas pipeline project.

Project Portfolio: The Bank assists Brazil not only with loans but with a large array of small projects and technical cooperation. As of July 31, 1997, the Bank's active portfolio with Brazil consists of 38 loans, 47 technical cooperation grants, and 10 small projects. The Bank's portfolio is performing satisfactorily with only one loan experiencing a delay.

Environmental and Transportation Activities: The IDB has ambitious programs focusing on decontamination of urban waterways with a strong impact on the health of surrounding urban populations. Projects underway include clean-up of major water systems in Sao Paulo (\$302 million), Guanabara Bay in Rio de Janeiro (\$350 million), the port of Bahia Todos os Santos, and flood control in Campinas. In addition, the Bank is implementing major road rehabilitation and expansion projects, including a private concession on Sao Paulo's yellow road and linking the Sao Paulo-Florianopolis highway with the Curitiba-Uruguay highway. The two latter projects directly support MERCOSUR integration.

Project Pipeline: The IDB's 1997/99 project pipeline for Brazil currently consists of 28 projects, including, among the most important:

- * Basic education and technical vocational training. Proposed IDB funding: \$250 million.

- 2 -

- * National highways upgrading. Proposed IDB funding: \$300 million. Loan would upgrade 13,000 kilometers of national highways and turns over to states responsibility for operation and maintenance;
- * Interconnection of the north-south electricity grid. Proposed IDB funding: \$300 million.

Photo-Opportunities in Bank-supported Projects:

- * Visit Bank's grant program for disadvantaged children and adolescents in Rio de Janeiro (\$8 million) aimed at street children and adolescents in especially difficult circumstances. The grant establishes temporary homes for street children, centers for teenage mothers, and recovery centers for minors addicted to drugs.
- * Visit the Bank's favela improvement project in Sao Paulo which is providing new housing for 11,000 families.
- * The Bank has sponsored a pioneering Woman Leadership Training Center in Rio de Janeiro with a Brazilian NGO administering the program.
- * Meet with members of the Bank's Community Solidarity program to discuss ways in which the civil society organizations help deliver essential social services.

Sector Activity: IDB lending to Brazil has focused on the following sectors:

- * Transportation (24%)
- * Sanitation (20%)
- * Urban development and housing (20%)
- * Modernization of the state (8%)
- * Environmental protection (7%)
- * Tourism (5%)
- * Health (5%)
- * Industry (4%)
- * Science & technology (2%)
- * Agriculture (2%)
- * Education (1%)
- * Social investment (1%)

VENEZUELA

Relations with the Inter-American Development Bank

Bank Strategy

The IDB's strategy for Venezuela focuses on three priority areas of the government's development agenda:

- Macroeconomic stability and structural reforms to strengthen public sector efficiency, including social security and public sector reform including the decentralization process.
- Increase the efficiency of social expenditure in education and health and increasing the participation of state and municipal governments and the private sector in providing services in the social sectors.
- Improve productivity of the non-petroleum economy through the investment in infrastructure and redefining the role of the state, opening sectors to private investment and strengthening the regulatory and supervisory capacity of the public sector.

History: Since the inception of operations, the Bank has approved 64 loans for Venezuela, totaling \$3.645 billion. During the period 1974-1982, Venezuela, voluntarily, did not request any loans from the Bank. The Bank's annual approvals for Venezuela in 1991-1996 averaged more than \$280 million (slightly up from an annual average of \$223 million from 1985-90). Currently, there are 22 loans in execution to Venezuela totaling US 1.9 billion, approximately 4.2 % of the Bank's debt portfolio. The loans since 1990 have been for investment projects in the social, infrastructure and productive sectors.

Project Portfolio: The Bank's outstanding portfolio to Venezuela consist of investment projects, the improvement of tax and custom administration, banking supervision and budget formulation and execution. In addition, the portfolio includes 27 technical cooperation. From 1991-1996, the sector distribution for loans was as follows:

- Social Sectors (28%)
- Reform of State (70%)

Social Sector and Environment Activities: The Bank has been working with the authorities in improving the social expenditure in health and education, by decentralization of services and strengthening of supervisory capacity. Authorities have been working with the bank on sustainable environmental projects -- two for water and sewage (Potable Water for the Central Region, Water Sector Modernization Program), one for the sanitation of Lake Valencia and one to protect watersheds in the Andean region.

Project Pipeline: The IDB's 1997/1998 project pipeline for Venezuela consists of 7 projects for Board approval totaling US\$ 750 million. The portfolio includes an innovative pilot operation in the social sector, a project to support the development of alternative solutions to social problems

through civil society, and a program to consolidate the child and young orchestral system. The largest program expected to come before the Board in 1997 is:

- **Social Security Reform** This sectoral program will support the reform of the social security system, including the reform of the pension, health and unemployment insurance systems. The operation will encompass the development of the supervisory framework of the new system.
- **Bolivar Program for Small and Medium Enterprises** Establishment of regional network of contacts to foster SMEs among Latin countries as well as cross-partnerships between industrial and Latin small and medium enterprises.

Sector Activity

- Agriculture (18%)
- Education (7%)
- Energy (24%)
- Environmental Protection (2%)
- Health (7%)
- Forestry (3%)
- Transportation (13%)
- Reform of the State (2%)
- Water and Sanitation (11%)
- Science and Technology (2%)
- Social Investment (4%)
- Urban Development and Housing (2%)
- Financial sector (4%)

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. memo	Antony Blinken and David Leavy to Samuel Berger, et al., re: Preliminary Communications Plan for the President's Trip to South America (8 pages)	08/12/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
Special Envoy for the Americas
Farnsworth, Eric
OA/Box Number: CF 1047

FOLDER TITLE:

[September/October 1997 Travel] [Binder]: President of the United States Travel to
South America, October 1997 [3]

2009-1155-F
ke2543

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]



Andrew
Eric
Nelson

CASE CORPORATION
1825 EYE STREET, NW
SUITE 400
WASHINGTON, DC 20006 USA
TEL: (202) 429-2010
FAX: (202) 429-2087

Brazil
trip

Hand-Delivered

August 12, 1997

The Honorable Thomas F. (Mack) McLarty
Counselor to the President and Special Envoy for the Americas
The White House
Washington, DC 20500

Attention: Anna Duque, Scheduler

Dear Mr. McLarty:

I read yesterday with great interest about the President and Mrs. Clinton's possible visit to Brazil this October. Today, Case Corporation, announced the formation of a Latin American agricultural equipment unit in Brazil which will invest \$100 million over a 3-year period to manufacture large-scale, production agricultural equipment. Case has sold its products in Brazil for 78 years and is the number one seller of light-to-medium construction equipment there. I am writing to invite the President and Mrs. Clinton to visit one of our Brazilian facilities during their October visit.

As you recall, Case Corporation, with revenues of \$5.4 billion, is headquartered in Racine, Wisconsin, and is a leading designer, manufacturer, and distributor of agricultural and construction equipment. The company's products are sold through a network of approximately 4,900 independent dealers and distributors in more than 150 countries. For example, our Sorocaba, Brazil facility has manufactured loader/backhoes, wheel loaders, and excavators since 1977.

Enclosed please find today's press release by our company announcing the Latin American investment. Also enclosed please find a 2-page summary on our company.

If possible, we would be honored to host the President and Mrs. Clinton at a Case facility in Brazil. If I may be of any assistance, please do not hesitate to contact me at (202) 429-2010. I look forward to hearing from you. Thank you.

Sincerely,

JOSEPH E. SAMORA, JR.
Director, Government Affairs

JESjr/khm

Enclosures

For more information, contact:

William B. Masterson (414) 636-5793

For Immediate Release

**CASE CORPORATION FORMS
AGRICULTURAL EQUIPMENT UNIT IN LATIN AMERICA**

Company Plans to Manufacture Case IH Agricultural Equipment in Brazil

Racine, Wisconsin (August 12, 1997) – Case Corporation announced today that it will form a Latin American agricultural equipment unit and invest up to approximately \$100 million over the next three years to manufacture its large-scale, production agricultural equipment in Brazil for the Latin American market.

The announcement came as Case joined Brazil's automotive regime today in a signing ceremony in the capital city of Brasilia. The automotive regime enables manufacturers that are either producing in Brazil or have concrete plans to do so to import products for substantially lower import tariffs.

“Demand for high-horsepower and large-scale agricultural equipment is growing in Latin America as the region increases its role in meeting the rising worldwide demand for food,” said Jean-Pierre Rosso, Case chairman, president and chief executive officer. “Our Case IH agricultural equipment will enable farmers in Brazil, Argentina and other Latin American countries to increase their productivity by utilizing the best technology, performance and reliability available.

2/2/2/2

"Our phased investment plan in Latin America is another step in our strategy to participate in emerging markets for our products worldwide that offer opportunity for strong growth and earnings potential," Rosso said.

Latin America, led by Brazil and Argentina, is among the top 10 agricultural regions of the world, and its crops are particularly suited for Case IH equipment. Brazil's major farm commodities are corn and soybeans. In Argentina, wheat and soybeans are the primary crops.

While Case has long exported agricultural equipment to Latin America, sales have recently risen as more large-scale farms in the region practice production agriculture. In 1996, retail unit sales of Case agricultural equipment more than doubled in Latin America, with Brazil and Argentina growing to almost half of the region's agricultural equipment sales. And, in the first six months of 1997, retail unit sales of high horsepower tractors have soared 87 percent while retail sales of combines have increased 60 percent.

"We have had a tremendous response from the farmers that are already using our 100 - 425 horsepower tractors, and those using our Case IH Axial-Flow combines have been extremely happy with the improved quality of their harvested grain. We have exhibited in the region our Advanced Farming System for precision farming and look forward to bringing this technology to the market here," said Andrew Graves, vice president and general manager, Latin America.

"We have already begun building a distribution network, and we're very optimistic that we can add to our early success and become a leading supplier of agricultural equipment in Brazil, Argentina, and throughout Latin America," Graves added.

Case is today the number one seller of light-to-medium construction equipment in Brazil and in Latin America, and has done business in Brazil for 78 years. The company presently makes loader/backhoes, wheel loaders and excavators in its Sorocaba, Brazil, facility, which opened in 1977.

3/3/33

Through its acquisition of Austoft Holdings Ltd. in 1996, Case also has a joint venture in Brazil with the Ometto Group, Brastoft Maquinas E Sistemas Agroindustriais SA, to make sugar cane harvesters and transport equipment. . The joint venture recently purchased a manufacturing plant in Piracicaba, Brazil.

Case Corporation, with revenues of \$5.4 billion in 1996, is headquartered in Racine, Wisconsin, and is a leading worldwide designer, manufacturer and distributor of agricultural and construction equipment. The company's products are sold through a network of approximately 4,100 independent dealers and distributors in more than 150 countries. Case Credit Corporation, a wholly owned subsidiary of the company, services a portfolio of \$4.5 billion of agricultural and construction equipment financing and leasing contracts.

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CASE CORPORATION AT A GLANCE

MISSION

Case will lead the industry by providing its agricultural and construction equipment; customers around the world with superior products and services that maximize their productivity and success.

PROFILE

Case Corporation (NYSE:CSE) is one of the world's largest suppliers of agricultural and construction equipment, ranging from tractors and combines to loader/backhoes and skid steers. Headquartered in Racine, Wisconsin, Case employs approximately 17,000 people worldwide. Case equipment is sold in approximately 150 countries worldwide through a network of more than 4,100 independent dealers. With revenue exceeding \$5 billion, Case ranked 261 in the 1995 Fortune 500 list.

In 1996, Case net sales increased to \$5.4 billion, net income rose to \$349 million, and operating earnings reached \$579 million.

STRATEGY

Case is following an operating strategy that combines continued cost improvements with top-line growth opportunities. The company is reducing costs and generating earnings growth through process re-engineering, lower cost of quality and executing previously announced restructuring actions. Simultaneously, Case is capitalizing on growth opportunities by expanding into emerging markets and introducing innovative new products and new technology at a rapid pace.

Case's long-term restructuring program, which is scheduled to be completed by the end of 1997, is expected to generate \$500 million in total savings by 1998. In 1995, the company closed a plant in Europe, sold company-owned stores and began implementing an aggressive supply chain management program. Also in 1996, the company introduced more than 20 new models of agricultural equipment, completed four acquisitions on three continents and announced a joint venture in the Central Asia country of Uzbekistan.

HISTORY

Case was founded in Racine in 1842 by inventor Jerome Increase Case to build threshing machines. Later, the company expanded into other agricultural products, such as plows and tillage tools, and eventually purchased a line of tillage, haying and harvesting equipment. In the 1920s and 1930s, Case expanded tractor production and added combines to its product line.

By 1912, Case had established itself in the construction equipment industry as a supplier of road building equipment (steam rollers and road graders). Case introduced the first commercially successful loader/backhoe available under one warranty from a single manufacturer in 1957. This began Case's worldwide leadership as a supplier of loader/backhoes.

In 1964, controlling interest in Case was acquired by Kern County Land Company. Later, Tenneco Inc. (NYSE:TEN) acquired Kern County and retained the controlling interest in Case. By 1970, Tenneco decided to repurchase all remaining shares of the company and Case became a wholly owned subsidiary of Tenneco.

Throughout the 1960s and 1970s, Case expanded its business through a number of acquisitions and product introductions. In 1985, Case acquired selected assets of International Harvester's agricultural equipment operations. This made Case the second largest manufacturer in the North American agricultural industry and expanded Case's line of farm equipment.

Following a dramatic reduction in the agricultural market in the mid-to-late 1980s, Case embarked upon two separate restructuring programs. The first was a \$461 million effort announced in 1991. It was aimed principally at reducing costs. This initiative, complete at the end of 1994, resulted in a flattened corporate structure, a 38 percent reduction in employment and production cuts of 26 percent. The response in corporate earnings was a \$358 million positive income swing in the program's first year.

In 1993, Case embarked on a more detailed, three-year, \$920 million restructuring program. This initiative is designed to address basic issues adversely impacting Case's operating results: flat to declining markets, unrelenting global competition and substantial overcapacity.

In June 1994, Case returned to public ownership through an initial public offering at \$19 per share. Since then the company has continued to achieve ongoing financial performance and shareholder value improvement. Case is listed on the New York Stock Exchange under the symbol of CSE.

PRODUCTS

Case designs, manufactures and markets medium-to-large agricultural equipment and light-to-medium construction equipment. The company markets more than 150 products under the names Case, Case IH and Case Poclair.

As the world's second largest manufacturer of agricultural equipment, Case offers a full line that includes the award-winning MAGNUM,TM MAXXUM,[®] STEIGER[®] and general-purpose tractors from 42 to 425 gross horsepower; grain and cotton harvesting equipment, including the patented Axial-Flow[®] combines that can be equipped to harvest corn, rice, soybeans, wheat and small grains, and the Case IH Cotton Express[®] pickers, which are designed to pick both sides of a cotton plant; plows, disk harrows and other tillage equipment; planters, grain drills, cultivators and other crop production equipment; mower conditioners, disc mowers, self-propelled windrowers, balers and forage harvesting equipment; skid-steer loaders, manure spreaders, and other materials handling and accessory equipment.

Case is a leading manufacturer of a wide-range of mid-sized construction products for the worldwide construction, utility, street and highway and materials handling equipment markets. More than 60 different models include the top selling loader/backhoe in the world – Case Construction King[®] loader/backhoes; wheel loaders rated at 126 to 248 net horsepower; crawler dozers, which can be used for residential and industrial construction chores; skid-steer loaders known in the industry for their reliability and heavy-duty performance; excavators with operating weights from 26,000 to 97,000 pounds, rated at 87 to 276 net horsepower; eight trenchers and cable plows; rough terrain forklifts commonly used at lumber yards and outdoor work sites; and loader-landscapers.

UNIVERSIDAD DEL SALVADOR
BUENOS AIRES

—
Rector

Nelson
South America
my folder

August 22, 1997

The Honorable Thomas "Mack" McLarty
Counselor to the President and Special Envoy for the Americas
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

Dear Mr. McLarty:

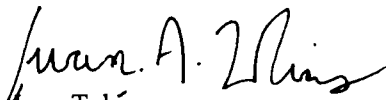
In response to your request, I am pleased to inform you that we are able to broadcast President Clinton's visit within Latin America, a capability that we feel will serve a great purpose in communicating and educating students throughout the hemisphere.

Included with this correspondence please find a list of American students who are attending the University del Salvador this fall. As you will notice, the University del Salvador draws a diverse group of American students from various colleges and universities throughout your country.

I will be in Washington, DC September 15-17th and would very much like to arrange to meet with you and/or your staff. Verner Liipfert is assisting us with this special project and I have asked that they follow-up with you sometime next week.

In the meantime, take care. I look forward to meeting you and making this a memorable experience for all involved.

With Regards,


Juan Tobías
President

Enclosure



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ALUMNOS INTERNACIONALES INSCRIPTOS PARA EL SEGUNDO CUATRIMESTRE 1997.

APELLIDO Y NOMBRE	PASAPORTE	UNIV. DE ORIGEN	PROGRAMA
Adams, Jeb Eric	073257192	University of Wyoming	ISEP
Adler, Stuart	015622557	George Washington University	SUNY
Anderson, Holly L.	Z7348900	Concordia College	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Askew, Edgeley	044232174	University of Virginia	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Azevedo, Jamie	152604016	Bryn Mawr College	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Bates, Frederick	101269414	Bryant College	SUNY
Bayer, Angela	102189373	Harvard University	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Bernstein, Jana Ellen	102128715	Northwestern University	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Blazejewski, Kenneth	153871640	Harvard University	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina



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Bozzini, Christina L.	084829836	Agnes Scott College	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Bristle, Emily Jane	140401357	University of Maryland	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Brzeczek, Jessica Lyn	155375033	Colorado State University	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Bulkley, Cristina Suzanne	073988071	University of Wyoming	ISEP
Caprio, Nicole Catherine	092565616	University of Sacramento	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Cassel, David	035079955	Chapman University	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Coronado, John	052508854	University of the Pacific	Extraordinario
Davidson, Vanessa	034370319	Harvard College	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
De Figueiredo, Miguel	155897491	Johns Hopkins University	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Delp, Timothy Scott	044826920	Eckerd College	ISEP
			- - -



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Dobbie, Justin	131488301	Duke University	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Dwyer, Erin	073178278	Duke University	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Ehrenhaus, Corinne	156313172	Brandeis University	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Eidemiller, Seth Alvin	074299970	University of Idaho	ISEP
Fernández, Arturo José	084824423	University of Miami	University of Miami
Fox, Erin	015723026	The University of North Carolina at Chapel Hill	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Fredlund, Cristina Kay	154421521	Loyola Marymount University	Extraordinaria
Gaillard, Jennifer	092551712	Vassar College	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Giannasio, Breeze	120445673	Wellesley College	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Giddens, Elizabeth	08207434	University of Texas at Austin	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina



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Gregg, Heather Lynn	08557316	Tulane University	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Gullett, Gerald M.	132191785	The University of Texas at Austin	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Hall, Amber Alexandra	131429195	Vassar College	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Hara, Stephanie	073857114	The Colorado College	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Haro, Vanessa	026000094	University of Illinois	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Holling, Karen	025975215	University of the Pacific	University of the Pacific
Hugele, Jacquelynn	131153306	The University of Texas at Austin	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Igambi, Nyamusi K.	131435238	Texas Tech University	Extraordinaria
Israelson, Carla Andrea	131410695	University of Pennsylvania	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
			- - -



UNIVERSIDAD DEL SALVADOR

BUENOS AIRES

Rector

Jiménez-Marcos, Patricia	131946679	The University of Texas, Austin	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Joseph, Katherine	083002397	Denison University	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Klein, Jessica	074541369	Skidmore College	Extraordinario
Korin, Laura	092847047	University of Pennsylvania	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Lansing, David Matthew	073221917	University of Wyoming	ISEP
LaSota, Colleen Elizabeth	155245417	University of Minnesota - Twin Cities	ISEP
Lefco, Daniel	092249288	Tulane University	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Linares, Juan Carlos	152378246	University of Illinois at Urbana Champaign	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Loosen, Lisa Susann	131578270	University of Pennsylvania	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Manchester, Heather A.	05439602	University of California, Berkeley	Extraordinaria
McNamara, Erin J.	102471760	SUNY GENESEO	SUNY



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McPherson, Edward Russell	131511797	Williams College	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Miller, Aaron	025869732	University of Illinois at Urbana Champagn	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Miller, Sara K.	074345542	University of Illinois at Urbana Champagn	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Miller, Robin	131141449	Grove City College	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Miller, Ward Daniel	074128667	Willamette University	Extraordinario
Monty, Claire	024478848	Earlham College	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Nelson, Benjamin	083256859	The University of North Carolina at Chapel Hill	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Owen, Patrick Edward	085423043	Bellarmino College	ISEP
Perlmutter, Aaron Michael	085896218	Duke University	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Polen, Kirstin Elaine	085505238	Miami University	ISEP - - -



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Polimeni, Rachel	085973662	Duke University	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Quintela, Yvette	044704464	University of Miami	University of Miami
Register, Nicholas H.	085987558	Duke University	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Riesco, Armando	083681197	Northwestern University	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Rossmann, Michael	153172709	University of Illinois at Urbana-Champaign	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Sachs, Christopher Allen	063455186	Harvard University	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Sanders, William Paul	102523833	Williams College	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Schmitt, Timothy Patrick	155977011	University of Illinois at Urbana, Champaign	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Sederstrom, Jon David	102357624	Williams College	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina



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Shah, Rupal Naresh	155809361	West Virginia University	ISEP
Shrotriya, Ritu	140455546	Bryan Mawr College	SUNY
Siegel, Michael	54847876	Brandeis University	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Tota, Lauren	093675644	Loyola College	Loyola College
Towhidian, Heather	015065605	Loyola College	Loyola College
Tuohy, Stephen W.	024859939	University of Michigan- Ann Arbor	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Van Veldhuizen, Brett	131121349	Columbia University	SUNY
Woods, Tracy	092211268	Johns Hopkins University	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina
Zimmerman, James Scott	073184148	Columbia University	Consortio: U. of Illinois, U. of Texas, U. of N. Carolina

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
002a. memo	Peter Allgeier to Jim Dobbins and Lael Brainard, re: Possible Mercosur Meeting during POTUS Trip (1 page)	08/08/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
Special Envoy for the Americas
Farnsworth, Eric
OA/Box Number: CF 1047

FOLDER TITLE:

[September/October 1997 Travel] [Binder]: President of the United States Travel to South America, October 1997 [3]

2009-1155-F
ke2543

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]



FACSIMILE

**Office of the United States Trade Representative
Executive Office of the President
Washington, DC
20508**

Date: August 8, 1997
Page 1 of 2

Office of the Western Hemisphere

To:	<u>Name</u>	<u>Organization</u>	<u>Telephone</u>	<u>Fax</u>
	Jim Dobbins	NSC	6-9131	6-9130
	Lael Brainard	NEC	5-5104	6-2223
cc:	Nelson Cunningham	McClarty's Office	6-2000	6-2464
	Bryan Samuel	State/ARA	647-6754	647-0791

FROM: Peter Allgeier, (202) 395-6135, FAX (202) 395-9675
(Incomplete or problem faxes, call (202) 395-5190)

SUBJECT: USTR View on Mercosur Meeting during POTUS Trip

Please see attached.

URGENT

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
002b. email	James Dobbins to National Security Advisor, re: Meeting with Barshefsky (2 pages)	08/04/1997	PI/b(1)

COLLECTION:

Clinton Presidential Records
Special Envoy for the Americas
Farnsworth, Eric
OA/Box Number: CF 1047

FOLDER TITLE:

[September/October 1997 Travel] [Binder]: President of the United States Travel to South America, October 1997 [3]

2009-1155-F

ke2543

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
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- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Withdrawal/Redaction Marker

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
002c. memo	Eric Farnsworth to Mack McLarty, re: Planning for October Trip to South America (1 page)	07/14/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
Special Envoy for the Americas
Farnsworth, Eric
OA/Box Number: CF 1047

FOLDER TITLE:

[September/October 1997 Travel] [Binder]: President of the United States Travel to South America, October 1997 [3]

2009-1155-F
ke2543

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
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- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

AMERICAN CYANAMID: VICTIM OF INADEQUATE PATENT PROTECTION IN ARGENTINA AND BRAZIL

PROBLEM: *A major American agribusiness company faces significant market losses on one of its most valuable products because the intellectual property regimes of Argentina and Brazil have failed to protect the company's rights as a patent holder in the valuable Mercosur soybean market.*

Who is Cyanamid?

- American Cyanamid Company is a subsidiary of American Home Products (AHP) Corporation, a research-based enterprise with global sales in excess of \$15 billion. Cyanamid is a major global supplier of agricultural products, and along with AHP accounts for close to \$2 billion in worldwide sales of agricultural products.
- AHP/Cyanamid has invested over \$125 million in Argentina and \$162 million in Brazil. Cyanamid de Argentina S.A., the local affiliate of American Cyanamid alone generates \$110 million in annual sales. The local affiliate in Brazil, Cyanamid Quimica do Brasil LTDA, generates \$470 million in annual sales.

What are the Products at Issue?

- Cyanamid's most significant products in Argentina and Brazil are advanced agricultural herbicides used in the culturing of soybeans and other feed and food crops. These products, known as imidazolinones, are patented as compounds in Argentina and many other countries around the world. In Brazil, they are covered by process and composition patents, as explained in the attached charts.
- Imidazolinones represent significant advances in the fields of chemistry, agronomy, and ecological safety, to the degree that in 1993 the Cyanamid researcher who invented them was personally awarded the U.S. Presidential Medal for Technology by President Clinton at the White House. These products generate close to \$500 million in sales to Cyanamid.
- Currently, Cyanamid has filed 48 patent applications in Argentina and 56 applications in Brazil. Of these, 18 patents have been granted in Argentina and 28 have been granted in Brazil. The attached chart shows the number and types of patents currently owned by Cyanamid in these countries, and which Cyanamid feels are most likely being infringed.

*Argentina mostly
Marketing approval
granted*

How are Cyanamid's Patents Being Infringed in Argentina and Brazil?

- Makhteshim, a subsidiary of the large Israeli conglomerate Koor Industries, has filed - through its local affiliates, Magan (Argentina) and Herbitecnica (Brazil) - regulatory product applications for products that infringe Cyanamid's patents in these countries.

Argentina:

- In Argentina, Magan has filed applications for approval to sell its own imidazolinone products. These products have the same formulation and use as those products for which Cyanamid holds patents - valid through 2006 - in Argentina.
- Makhteshim and Magan argue that Cyanamid's patent had lapsed for failure to fulfill Argentina's "working" requirement, which states that a patent will become void if the patent holder does not make use of it within two years after it is granted. Cyanamid has, however, made use of its patent in order to prevent it from lapsing: first, the company conducted a portion of the manufacturing process within Argentina during this initial two year period; second, Cyanamid's importation and sale of the patented goods within Argentina likely meets the "working" requirement, as interpreted by the Argentine federal court.

Brazil:

- In Brazil, Herbitecnica has announced that it will begin fabricating its imidazolinone compounds in July 1997; it has also applied for regulatory approvals of its compounds for sale in Brazil. Herbitecnica will likely be infringing Cyanamid's formulation patent by creating a liquid substance whose properties match those of Cyanamid's imidazolinone product. Furthermore, even if Herbitecnica produces a non-liquid formulation, it will infringe Cyanamid's original base case patent, which covers both liquid and granular formulations.
- Makhteshim contends that Cyanamid's principal Brazilian patent has expired, since the original expiration date under Brazilian law was 1996. However, if Brazil were implementing all provisions of the new global TRIPS agreement, this patent would be extended for five years, until 2001. Whether or not Brazil intends to defer implementation of TRIPS is unclear at this point, creating a good deal of concern and uncertainty with respect to the current state of patent law in Brazil.

Why are Argentina and Brazil Unable to Provide Adequate Patent Protection to Cyanamid?

Argentina: Ineffective Precautionary Relief

- In Argentina, Cyanamid has initiated a patent infringement action against Makhteshim and Magan, alleging the violation of its patents on the imidazolinone compounds. Cyanamid requested that the Argentine court impose an injunction on Makhteshim/Magan while these patent infringement claims were being explored
- Although the lower court granted an injunction, the appellate court revoked the injunction in December 1996. Under Argentine law, a defendant in a patent infringement case has the right to choose between the imposition of an injunction or the posting of a bond while the case is pending before the court. Furthermore, the amount of the bond imposed in Argentine patent cases is generally such a nominal amount as to be meaningless. Although the TRIPS agreement would reverse this practice and allow the court to impose an injunction if needed, Argentina has not been clear about its implementation of TRIPS. Argentina's current practice effectively allows a patent infringer to continue his harmful practices simply by paying a nominal fee.

Brazil: Inadequate Administrative Procedures

- Cyanamid's Brazilian patent application was filed in June 1981, but the Brazilian government did not issue the patent until February 1996, a delay of over 14 years. Under Brazilian law, the patent would have expired 15 years after filing, in June 1996 – just four months after the patent was issued. Brazil's unwillingness to specify whether or not it intends to defer its patent extension obligations under TRIPS by invoking its status as a developing country has created uncertainty regarding the effective term of the patent.
- Brazil has declined to provide Cyanamid with a chemical analysis of Makhteshim's products in order to confirm whether a patent infringement is actually occurring. This administrative ineffectiveness frustrates the purpose of Brazil's intellectual property regime.

CONCLUSION: *The Cyanamid case is symptomatic of a general lack of effective patent enforcement in Argentina and Brazil, a problem which, if not addressed, could result in massive losses to American companies that hold patents in these countries.*

- The Clinton Administration has already determined that both Argentina and Brazil must be carefully scrutinized because of continuing weaknesses in their intellectual property regimes. Both countries are listed in the USTR's recently released annual review of "Special 301" provisions of the Trade Act of 1974.
 - * Argentina is one of ten countries listed on the special 301 "Priority Watch List" because the country's patent regime "denies adequate and effective protection to U.S. right holders..."
 - * Brazil has been listed as one of 36 countries on the special 301 "Watch List" because the U.S. has determined that this country requires further monitoring in order to ensure that its commitments to intellectual property are implemented.
- The gaps in patent enforcement by both Argentina and Brazil have effectively allowed an Israeli company to steal agrichemical formulations that are essential to the health of a major U.S. company that has invested a great deal of time and money in its inventions.
- In light of the United States' desire to strengthen its trade relationships with both Argentina and Brazil, these issues should be brought to the attention of government officials at the highest levels in both countries, so that they may take action to cure the weaknesses in the intellectual property regime.

CYANAMID PATENTS CURRENTLY HELD

ARGENTINA

48 Patent Applications

18 Granted Patents

Patent Number	Process	Compound	Composition	Use	Potential Violation
240928 Application date 6/1/81 Grant date 3/27/91 Expiration date 3/27/06	X	X	X		Compound Composition
308451 (Application) Application date 8/14/87			X		Composition
328451 (Application) Application date 4/27/94			X		Composition
0336881 (Application) Application date 6/5/96			X		Composition

BRAZIL

56 Patent Applications

28 Granted Patents

Patent Number	Process	Compound	Composition	Use	Potential Violation
PI 8103449 Application date 6/1/81 Grant date 2/27/96 Expiration date: ??	X		X		Compound Process
PI 8704215 Application date 8/14/87 Grant date 11/28/95 Expiration date: ??			X		Composition
PI 9602620-0 (Application) Application date 6/4/96			X		Composition

* See next page for Patent Definitions

Patent Definitions

An individual patent may include one or more of the following claims relating to the patented product:

Compound

A compound claim covers the chemical material that comprises the product. It may be generic, covering a class of compounds, or specific, covering a single chemical material.

Composition

A composition claim covers a recipe of ingredients, usually a compound plus inert ingredients.

Process

A process claim covers a particular method for making a compound or composition.

Use

A use claim covers the unique use of a new compound or composition, or a new use for an existing compound.

DALLAS, TEXAS
BRUSSELS, BELGIUM
NEW YORK, NEW YORK
MOSCOW, RUSSIA

AUSTIN, TEXAS
SAN ANTONIO, TEXAS
HOUSTON, TEXAS

facsimile
TRANSMITTAL

to: Andrew Friendly
firm: The White House
fax #: 456-2464
tel #:
re:
date: July 18, 1997
pages: 3, including this cover sheet.
client #: 76042.0001

*11:00am
Tuesday*

MESSAGE:

Attached is the background material you requested re my client American Home Products' subsidiary, American Cyanamid.

I look forward to the opportunity to discuss my client's concerns.

From the desk of.

Steven M. Hilton

AKIN, GUMP, STRAUSS, HAUER & FELD,
L.L.P.
1333 NEW HAMPSHIRE AVE. SUITE 400
WASHINGTON, DC 20036

202/887/4279
Fax: 202/887-4288

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AMERICAN CYANAMID: VICTIM OF INADEQUATE PATENT PROTECTION IN ARGENTINA AND BRAZIL

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- The gaps in patent enforcement by both Argentina and Brazil have effectively allowed an Israeli company to steal agricultural formulations that are essential to the health of a major U.S. company that has invested a great deal of time and money in its inventions.



United States Department of State

Washington, D.C. 20520

Eric Farnsworth 4567586

AUG 12 1997

MM

NOTE TO TED PICCONE, NSC

FROM: EB/Int'l Energy Policy: Matt McManus
647-1476

SUBJECT: Possible POTUS Caracas photo-op: "Fulbright Energy for the 21st Century Scholarships."; Energy Ministerial

To follow-up on our meeting of July 24, I attach a proposal from USIA Caracas re the "Fulbright Energy for the 21st Century Scholarships."

- o The program will send 10-20 Venezuelans for a two-year masters in energy/environment/engineering in the U.S.
- It is a public-private initiative, with funds from the USG/U.S. and Venezuelan private sectors (including U.S. oil companies).
- It could demonstrate the benefits, and new opportunities to Venezuelan citizens, of the growing interdependence of our energy sectors.

Students will be selected by late September, and we suggest allowing the POTUS to present them plaques and award letters in a brief ceremony and photo-op.

- Given the President's close association with Senator Fulbright, it may be particularly appropriate.

We feel the press coverage from the event would foster the spirit of cooperation on energy and cast the energy opening as creating positive opportunities for the next generation of Venezuelans -- a core message of ours and the Ven Government.

- o The select audience for the ceremony would also bolster our energy policy relationship with key energy leaders. We could invite Ven Energy Ministry and PDVSA officials, Members of Ven's Congressional Energy Committees (who passed the historic opening to foreign oil investment in 1995) and U.S. oil company reps.
- It would allow the POTUS to reinforce our appreciation for energy reform and to briefly mingle with, and show our support for, this critical group.
- U.S. oil companies in Caracas gain from POTUS engagement of Ven leadership on energy; but an event with the POTUS and just the U.S. companies could well appear mercantilistic in a sensitive field.

- o The event could be very short (15-30 minutes) and be held just prior or after a speech/lunch or other scheduled event. Or, the event could itself provide a platform for a brief speech on energy.

Energy Ministerial

One additional item. The U.S. and Venezuela are responsible co-coordinators of Summit of the America's "Hemispheric Energy Cooperation." The initiative has brought hemispheric leaders together to share regulatory experiences, promote market-based policies and best environmental policies.

At a meeting in Colombia in late September, there will be hemispheric endorsement to hold a Summit Energy Ministerial in Caracas in January 1998. Venezuela is honored to host such a high-profile event. The President and Caldera could jointly announce this as a deliverable and to underscore that we, and the hemisphere, look to Venezuela as a leader in energy.

DOE, of course, will be with you directly on their proposals and the Memorandum of Understanding extension on energy etc.

Please let us know if you need further info.

cc: Perry Ball, Economic Counselor, Emb Caracas
Mr. Roberston, USIA Counselor, Emb Caracas
Eric Farnsworth
Attachment (fax from USIA Caracas)

TO: Mat McManus, E/B
FROM: USIS Caracas
DATE: August 8, 1997

FAX: 202-647-4037 (3 pages including this one)

Following is the information you requested on the:

FULBRIGHT "ENERGY FOR THE 21st CENTURY" SCHOLARSHIP

The special Fulbright Scholarship, "*Energy for the 21st Century*", was devised to meet the needs of Venezuela's growing energy sector. The recent petroleum "opening" and various other initiatives, coupled with the country's enormous potential, have cast Venezuela as a prime location for energy-related investment. This is a brand new initiative, and this scholarship has never been awarded before.

Because human resources will play a crucial role in the development of the energy sector, the U.S. Embassy in Caracas launched the "*Energy for the 21st Century*" Fulbright Scholarship to help prepare the next generation of Venezuelan engineers, geologists, environmentalists, managers, scientists and professionals in areas related to energy. The goal of the program is to send at least ten to twenty outstanding young Venezuelans (very recent B.A.s with good English and excellent grades) for two-year masters degree programs in the field of energy at top U.S. universities. Upon their return, the knowledge and skills acquired by these young professionals will be put to use in helping Venezuela develop its energy sector.

In response to an appeal by the U.S. Embassy last January, *Bectel Corporation, Chevron Latinamerica, INTEVEP, Maraven, Mobil Venezuela, PDVSA/CIED and Texaco Venezuela* committed to sponsoring scholarships, the first winners of which will be chosen in mid-September, 1997. The Selection Committee will consist of the Embassy's Cultural and Assistant Cultural Attaches, a LASPAU representative, a representative of Venezuela's largest student-advising center -- the Association of Venezuelan-American Friendship (AVAA), a former Venezuelan Fulbright Professor in the energy field and probably the Dean of one of the prestigious Venezuelan universities with a well-known department in one of the petroleum fields.

The students will begin their studies in the United States in September, 1998. The fields designated by the companies include *petroleum engineering, oil exploration and production, environmental protection and geology and geophysics*. Several of the companies stipulated "any field pertinent to the petroleum sector".

The "*Energy for the 21st Century*" Scholarship program will be administered by the prestigious private organization associated with Harvard University, the "Academic and Professional Programs for the Americas -- LASPAU" which has more than 30 years of experience in the field of academic exchange in the Hemisphere.

The total cost for the participating company is \$31,000 which is payable in two annual amounts of \$15,500. This sum covers room and board, books and university fees, as well as other costs involved in maintaining a graduate student at a U.S. university for a two-year program. Each donation leverages matching funds in the form of tuition waivers -- in effect doubling the size of the contribution.

Post just placed an additional ad in Venezuela's most prestigious newspaper "El Universal", reminding students that the application deadline is September 1 and, once again, highlighting the companies which were generous enough -- and farsighted enough -- to realize that with this donation they have contributed to Venezuela's future in the most fundamental way - through educating its young people to help themselves and their country.

We would like to see President Clinton include a small award ceremony during his visit, in which he would award "Energy for the 21st Century" award letters and plaques to the winners, in the presence of representatives of the sponsoring corporations ^{*} and the Venezuelan government. The audience would consist of a maximum of fifty people, and the ceremony could be arranged to take less than half an hour. Whether or not the awards ceremony takes place, we hope that some mention of the program (with particular thanks to the sponsors) would be made in any "energy" speech during the Caracas

✓ Because Senator J. William Fulbright was from Arkansas and the Fulbright Scholarship was his dream-come-to-reality, how appropriate for the first President ever from Arkansas to award this unique scholarship in his mentor's name.

* and all U.S. oil firms in Venezuela (about 20).

8/4/97

Trip deliverables with Steinberg

Venezuela - energy security. flesh out ideas
if we're going to make narcotics cooperation
an issue on this trip, Venezuela is the
place to do it.

climate - could impact on an energy stop

Brazil - education / trade

exchanges. focus on primary & elite education - teacher training
information technology - Magazines
→ exports (intellectual, commercial)
sectoral initiatives

tariff - free commerce in cyberspace

trade - let's get a statement out of
Cardoso re: negotiations on Santiago
telecom contracts. \$8 billion
SIVAM

oz, steel etc - can't turn these around
climate change. mexus. j.i.

POTUS TRIP TO VENEZUELA, BRAZIL, ARGENTINA
DELIVERABLES -- HIGHLIGHTS

*Arms
- Summit trip?
- cooperation*

VENEZUELA -- main themes are energy security, democracy, drugs/law enforcement

flex out, concrete

- 1) Energy event/speech with tie-in to Summit of Americas agenda
Bilateral Investment and Tax Treaties
Fulbright Energy Scholarships
Trade and Development Assistance projects
- 2) Ratification of Washington Protocol (OAS membership suspended in case of interruption to democracy; comes into force w/ one more ratification); highlight Caldera as father of Venezuelan democracy; wreath-laying at Bolivar monument?
- 3) Extradition treaty; US counterdrug drawdown assistance (\$12 million); Mutual Legal Assistance Treaty; protocol to 1991 Shipboarding Agreement (done); Stolen Car Treaty; Prisoner Transfer Treaty; Venezuelan Joint Intelligence Command Center

BRAZIL -- main themes are education/technology, environment/space, security, trade

*Overall partnership
highlight Santiago*

- 1) Announce U.S./Brazil Education and Technology Partnership (e.g. telecom initiatives linked to delivery of education, standards, access through technology, teacher training)
Highlight GoB's human rights action plan
Cooperation on judicial reform
- 2) Announce NASA/GOB cooperation on Amazon study, including lease of C-130; sign nuclear cooperation agreement; GLOBE agreement on environmental education; MOU on space station partnership
- 3) Highlight US-Brazilian partnership as guarantors of Peru-Ecuador process (including purchase of US helos for MOMEPE)
Highlight Brazilian NPT adherence
Highlight new MLAT; US-BR anti-crime training initiatives
- 4) U.S.-Brazil Partnership for Hemispheric Prosperity (trade): possible bilateral or multilateral (MERCOSUR) discussion of FTAA prospects, "early harvest" of agreements, broad negotiations launch at Santiago; business speech/event in Sao Paulo, possibly with tie-in to corporate schools/technology partnership

Exchanges

overall partnership

US commitment to AMIA

ARGENTINA -- main themes are democracy, security, environment

Carla

- 1) Meeting with opposition leaders (two weeks before elections)
- 2) Special Consultative Process (ministerial consultations)
 - Satellite launch agreement
 - Peaceful nuclear cooperation
 - Counterterrorism -- commemorate AMIA bombing
 - Highlight Major Non-NATO Ally status
 - Peacekeeping event - regional training school, Campo de Mayo
- 3) Sign national parks agreement in Bariloche

Good -

FORA process - common views, positive statement

FORN - no progress

help - already happened

statements - felt implications

particular - unlikely to have much here

Dobbin - hemisphere alliance on drugs

- institutional reform, increase relevance to summit process

→ security measures. enhance

→ let's look at putting these into the agenda

(old rules don't apply)

→ initiative on educational technology?

→ significant sum of \$ going into exchange program? Clinton Pullright. Great Morance. We need to be more audacious politically. Education, let's stop this crap. Multinational level.

**Talking Points for Counselor McLarty
Meeting on Santiago Summit
Friday, August 1, 4:00 PM, White House Sitroom**

- I thought it would be a good idea to have a briefing on the preparations for the Santiago Summit. We are just entering an important time in the process in which we will start negotiating language with the rest of the hemisphere.
- We have a broad framework, agreed in Lima, that covers the relevant US interests in the region. The Santiago inter-agency working group, which has been meeting since January, has developed a promising set of action items within the framework that will push the envelope in many areas of our hemispheric agenda.
- The negotiation process runs on consensus, so we can expect to see some revised language and some new ideas as the discussions unfold in the coming months. Jeff and I will continue to oversee the inter-agency group as well as monitor the negotiating process.
- I would like to continue to brief this group in the future as we hit important milestones in the process.

POCUS memo

① English garden

② Exchange program Hispanic (education)

~~③ talkback to 4:00 pm meeting Summit~~

④ de Saiz - Summit?

- ⑤ Half year report

~~⑥ Thursday @ 2:00 Juan Roldan~~

- ⑦ memo re: POCUS issue

- ⑧ Indiana/Detroit speech finalize

July 30, 1997

MEMORANDUM FOR DISTRIBUTION

FROM: MACK MCLARTY

SUBJECT: REVIEW OF U.S. NEGOTIATION POSITION FOR SANTIAGO SUMMIT OF THE AMERICAS

We are at an important juncture in our preparations for next April's Summit of the Americas in Santiago, Chile, to which the President has committed to attend. Please come to a meeting I will chair on Friday, August 1, at 4:00 pm in room 180 OEOP to discuss.

The Summit will be the culmination of over a year of intensive Presidential activity to advance US interests in Latin America and the Caribbean. Building from the 1994 Miami Summit, we hope to solidify our newly emerging partnership with the hemisphere, increasingly based on shared values and common interests, to enhance the President's foreign policy legacy in the community of the Americas.

In accordance with the process developed by the Government of Chile and other participating Summit governments including the United States, we will soon be asked to provide a US position concerning specific action items to be included in the Summit agenda. The State Department has led an interagency working group since January to develop an initial set of US proposals (attached), and is prepared to deliver them to the Chileans next week. The outlines of the agenda itself, including education, democracy development, economic integration and trade, and poverty alleviation, were agreed by hemispheric foreign ministers at a meeting in Lima, Peru last month, which I was privileged to chair.

I believe State has the issues well-framed. Still, it would be useful to conduct an informal White House review of the substance developed by the interagency process. It would be helpful for you to review the proposed action items prior to our meeting, to be able to offer specific suggestions which can be taken into account.

The Summit is a priority for the President and our hemispheric agenda, and I greatly appreciate your ongoing efforts in this regard. I look forward to discussing these issues in greater depth with you at our meeting on Friday.

462-7226



① Steve
A. [unclear]
Discuss
W
Eric
Best
②

United States Department of State

Washington, D.C. 20520

July 25, 1997

~~[Handwritten scribble]~~

TO: Mack McLarty

FROM: Jeffrey Davidow

SUBJECT: Briefing on USG Proposals for the Santiago Summit

After a thorough TWG process, we are prepared to go forward with proposed USG action items for the Santiago Summit. This is an important step in the negotiating process laid out by the Chileans, and it may be a good idea to brief senior NSC, NEC, and other White House staff on these offerings.

Through the Santiago Summit Inter-agency Working Group and an even wider clearance process, we have developed draft action items which we will work to have incorporated into the Summit's action plan. As you requested, we kept the number of action items limited and focused, and tried to make them presidential in scope.

This is not to say, of course, that every action item in this list will remain unchanged during the negotiations with other Summit governments. In the negotiating process the Chileans have adopted, responsible coordinating countries are tasked with proposing draft action items in their respective areas. Our language, therefore, will be sent to the Chileans or to other governments either for them to comment or to fold into their proposals. The deadline for all lead countries' submissions to Chile is July 31, which means time will be scarce.

I believe it is time for you to convene a small senior staff group where you could brief on the substance of the action items and outline the negotiation process and the related work plan of the SIRG from now to the Santiago Summit. Because of the Chilean deadline, it would be helpful if you would call the meeting within the next week or as soon thereafter as possible.

Attachment: U.S. Proposals for Santiago Summit

FTAA and Related Group Meetings

July 29-31	First PrepCom	San Jose
Aug. ??	WG: Sanitary & Phytosanitary	Washington
Aug 19-22	WG: Customs Procedures (Informal)	Washington
Sept. 8-9	WG: Subsidies, AD and CVD	Washington
Sept. 15-17	WG: Government Procurement	Washington
Sept. 17-18	WG: Standards & Tech. Barriers	Washington
Sept. 23-25	WG: Investment	San Jose
Oct. 1-2	SIRG	Washington
Oct. 2-4	WG: IPR	Mexico
Oct. 14-16	Second PrepCom	Puntarenas
Oct. 14-16	WG: Customs Procedures	Washington
Dec. 2-3	Financial Ministerial	Santiago
Dec. 7-11	C/LAA Annual Conference	Miami
Dec. 9-10	SIRG	Washington
Jan. 27-29	Third PrepCom	San Jose
Feb. 25-26	Fourth Ministerial	San Jose
April 18-19	Second Summit	Santiago

TBA: Prior to the Oct. 14-16 Second PrepCom, meeting dates will be set for FTAA Working Groups not listed above: Market Access, Smaller Economies, Services, Competition Policy and Dispute Settlement.

Suggested Work Plan for SIRG 1997-98

1997						1998				
June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	April

M AM SAN ' IAGO

MEETING OF FOREIGN MINISTERS
JUNE 1, 1997
LIMA

• APPROVAL OF PROPOSED SANTIAGO AGENDA

- Mid-June: Chileans task Responsible Coordinators to draft action items.
- July 31: Draft action items due to Chile.

SIRG
Oct. 1-2
IDB

• Negotiation of Poverty and Education initiatives

SIRG
Dec. 9-10
OAS

- Negotiation of Democracy/ Human Rights and Economic Integration initiatives (except trade and capital markets)
- Dec. 2-3: Santiago Finance Ministerial (capital markets action items)

SIRG
Jan. 1998

• Negotiation of Declaration of Principles and Summit follow-up

SIRG
(FINAL PLENIPOTENTIARY)
MARCH 1998

Chile (Arlu Wans)

• Finalize Summit documents

- Feb 25-26: San Jose Trade Ministerial (trade action items)

• FOREIGN MINISTERS REVIEW PROGRESS ON MIAMI SUMMIT IMPLEMENTATION

- Responsible Coordinator Reports Due (Dec. 16)

- Prior to Summit: Responsible Coordinator Reports Released to Public

SANTIAGO SUMMIT OF THE AMERICAS - April 18-19, 1998

PRESIDENT'S TRAVEL TO SOUTH AMERICA
TRIP PLANNING MEETING

JULY 21, 1997

I. Travel Itinerary

- Countries, in order *Ven., Brazil, Arg.*
- Major events and cities/destinations (e.g. MERCOSUR event, Peru/Ecuador mtg, Speeches to Parliaments, crowd events)

II. First Lady Itinerary

- Panama meeting of First Ladies
- Other recommended stops

III. Dates of Travel *10/12-19, return October 20*

IV. Update on Deliverables

- Brazil/education

V. Communications Strategy

- Presidential involvement, including speeches and what venues
- Press plan

VI. Miscellaneous

- Congressional/Cabinet involvement
- Argentina elections
- McLarty and advance team travel

VII. Taskings

- ① Memo to Florida re: Caribbean or rain forest (state?)
- ② EF call Etcheberry? re: order of stops
- ③ Deliverables small group meeting w/ Berger → MERKOSUR *Rev. Sec. Pineda*
→ PIE *MNNA*
→ etc. *arms sales*
- ④ Blanken - strategy memo for comm. activities
- press plan.
- ⑤ New Orleans - some other speech
- ⑥ KANS memo/NISC - → outline trip, etc. to Berger by next week
- ⑦ 12.0.1.1 in Panama

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
003. memo	Eric Farnsworth to Mack McLarty, re: Planning for October Trip to South America (1 page)	07/14/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
Special Envoy for the Americas
Farnsworth, Eric
OA/Box Number: CF 1047

FOLDER TITLE:

[September/October 1997 Travel] [Binder]: President of the United States Travel to South America, October 1997 [3]

2009-1155-F
ke2543

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
004. memo	James Dobbins to Samuel Berger, re: Planning for the October Trip to South America (2 pages)	07/11/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
Special Envoy for the Americas
Farnsworth, Eric
OA/Box Number: CF 1047

FOLDER TITLE:

[September/October 1997 Travel] [Binder]: President of the United States Travel to South America, October 1997 [3]

2009-1155-F
ke2543

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DRAFT #2

**PROPOSED SCHEDULE FOR THE PRESIDENT'S TRIP TO
VENEZUELA, BRAZIL AND ARGENTINA**

October 12 - 19, 1997

NOTE: None of the events listed below have received sign-off by the White House. These events are the requests of the host government.

Sunday, October 12

TBD DEPART Washington, DC en route Caracas, Venezuela
 [flight time: 4 hours and 15 minutes]

Arrival Ceremony

Private Dinner (POTUS/FLOTUS anniversary dinner)

RON Caracas, Venezuela

Monday, October 13

Message Event/Speech (optional)

Bi-lat w/ Caldera

Wreath Laying at El Panteon (Simon Bolivar's tomb)

State Reception/Lunch

Embassy Event

4:00 pm WHEELS UP en route Brasilia, Brazil
 [flight time: 4 hours and 30 minutes]
 [time change: +1]

9:30 pm ARRIVE in Brasilia, Brazil

RON Brasilia, Brazil

OPTION #1

Tuesday, October 14

Arrival Ceremony

Speech to Brazilian Congress/
Speech to Public/Press Conference

Bi-lat w/ Cardoso

State Lunch

Embassy Event

8:00 pm Depart en route Sao Paulo

RON Sao Paulo, Brazil

Wednesday, October, 15

Speech/Business Event/AmCham Event

Other event

RON Sao Paulo, Brazil

OPTION #2

Tuesday, October 14

Arrival Ceremony

Speech to Brazilian Congress/
Speech to Public/Press Conference

Bi-lat w/ Cardoso

State Lunch

Embassy Event

8:00 pm DEPART en route Sao Paulo or
Rio de Janero

**RON Sao Paulo, Brazil or
RON Rio de Janero**

Wednesday, October, 15

Speech/Business Event/AmCham Event

Depart en route Rio de Janero, Brazil

Helo sightseeing tour

OTR Time

Crowd Event (optional)

**RON Rio de Janero, Brazil or
RON Sao Paulo**

Thursday, October 16

10:00 am DEPART (Sao Paulo or Rio de Janero) en route Iguacu Falls
[flight time: 1 hour and 30 minutes or ??]

TBD Visit the Iguacu Falls/ Down Time

4:00 pm DEPART en route Buenos Aires, Argentina
[flight time: 1 hour and 45 minutes]

Arrival Ceremony

Bi-lat with Menem

Meeting with Opposition Leaders

Private Dinner (POTUS and FLOTUS)

RON Buenos Aires, Argentina

Friday, October 17

Speech to Congress/Public Event/Press Conference

Wreath Laying at Plaza San Martin

Possible visit to Jewish Community Center

Embassy Event

State Dinner

RON Buenos Aires, Argentina

Saturday, October 18

9:00 am DEPART en route to Bariloche, Argentina
[flight time: 2 hours]

11:00 am ARRIVE.Bariloche

DOWN TIME

RON Bariloche, Argentina

Sunday, October 19

DOWN TIME

Monday, October 20

12:00 pm Depart en route Washington, DC
 [flight time: 12 hours]
 [time change: +1 hour]

Issues:

1. Where do we want speech/message events?
2. How many press conferences should there be? Where?
3. Do we go to Rio? If so, is Rio the news of the day or is Sao Paulo?

MR. McLARTY

CLIMATE CHANGE

PHOTOCOPY
PRESERVATION

Climate Change: Basic Background

“The science is clear and compelling. We humans are changing the global climate. Concentrations of greenhouse gases in the atmosphere are at their highest levels in more than 200,000 years, and climbing sharply....Here in the United States, we must do better....In order to reduce greenhouse gases and grow the economy, we must invest more in the technologies of the future. I am directing my Cabinet to work to develop them. Government, universities, business and labor must work together....[I]n order to do our part, we have to first convince the American people and the Congress that the climate change problem is real and imminent.”

**-- President Bill Clinton
United Nations, June 26, 1997**

Why is Climate Change on the Agenda Now?

In less than five months, the world's nations will convene in Kyoto, Japan to set binding greenhouse gas emission limits for developed nations. This meeting, called the Third Conference of the Parties, will follow critical negotiating sessions to be held in Bonn, Germany over the next several months.

The Kyoto Conference is the culmination of a process that began in 1992 at the United Nations Conference on Environment and Development in Rio de Janeiro (the "Rio Summit"). The Rio Summit produced the Framework Convention on Climate Change (the "Framework" or "FCCC"), to which 165 nations are presently parties.

Under the Rio Framework, developed nations agreed to a *non-binding* goal of lowering their emission of greenhouse gases to 1990 levels by the year 2000. Nearly every developed nation, including the U.S., will fail to achieve this goal.

In 1995, the parties to the Rio Framework met in Germany (the "First Conference of the Parties") and negotiated the Berlin Mandate. Under the Mandate, the parties agreed (i) that they would continue to pursue the Rio Framework's goals, (ii) that the developed nations should negotiate a "follow-on" agreement, which would cover the post-2000 period, and (iii) that there would be no new commitments for developing nations, though developing nations would be required to advance implementation of commitments they made in Rio.

In 1996, the parties met again at Geneva, Switzerland (the "Second Conference of the Parties"). There, the United States called for a binding agreement on greenhouse gas emissions in the post-2000 period. The Administration now intends to conclude such an agreement in December in Kyoto.

The Science is Compelling.

Greenhouse gases. Scientists have long understood that greenhouse gases in nature (principally water vapor, carbon dioxide, methane and nitrous oxides) keep the Earth's temperature an estimated 60 degrees Fahrenheit warmer than it would be absent such gases, thus sustaining our existence on the planet.

As a result of human activities, the concentration of greenhouse gases have increased markedly since the Industrial Revolution. The concentration of CO₂ -- which accounts for about 85% of all greenhouse gases -- has increased 30% since preindustrial times from 280 to 360 parts per million. Current projections indicate that, unless action is taken, atmospheric concentrations of CO₂ will dramatically increase in the next century to over 700 ppm -- which would be the highest level of CO₂ in 50 million years.

Scientific consensus. There is no serious scientific debate about the proposition that (1) greenhouse gases are rapidly building up in the atmosphere; (2) that these increased

concentrations will change our climate; and (3) that these changes may have serious adverse and disruptive consequences. Even those who would question whether climate change is *already* occurring recognize the truth of this fundamental proposition. During the next century, if we continue on a business-as-usual trajectory, climate models project an increase in global temperature of about 2-6.5° F -- a rate of warming faster than at any time in the last 10,000 years. By way of reference, a cooling in average temperatures of just 9° F brought on the last ice age.

In addition, the scientific evidence is clear and compelling that human activity -- notably increasing use of fossil fuels -- has in fact started to change the global climate. The UN-sponsored Intergovernmental Panel on Climate Change (the "IPCC"), concluded in 1995 that "the balance of evidence suggests that there is discernible human influence on climate change." Some 2600 of the world's leading scientists have publicly endorsed the IPCC's findings, saying that "[h]uman-induced global climate change is under way." The scientists observed that "further accumulation of greenhouse gases commits the Earth irreversibly to further global climatic change and consequent ecological, economic and social disruption." Among the evidence consistent with the view that climate change is already occurring:

- Average global temperature has increased by almost 1.0° F in the past century;
- The ten warmest years of the century have occurred since 1980, and 1995 was the warmest year on record;
- The 1980s were the warmest decade on record;
- Sea level has risen 4-10 inches in the past century.
- U.S. rainfall has increased 6% over the last century, an amount of water equal to half the yearly flow the Mississippi river;
- At the same time, increased evaporation has caused some areas, such as the Great Plains, California, Texas and Maine, to get drier.
- Mountain glaciers are melting worldwide. For example, Glacier National Park has lost 70% of its glacial area in the last 100 years.

The impact of a business-as-usual increase in greenhouse gas concentrations. The impacts could be very serious as CO₂ concentrations reach and exceed two times preindustrial levels:

- **Human Health:** Warmer temperatures are projected to increase fatalities from heat stress of the kind that killed 400 in Chicago in 1995 and expand the geographic ranges for diseases like malaria and dengue fever. Fifty to eighty million more cases of malaria alone are projected worldwide.
- **Extreme weather:** The change in the planet's water cycle is projected to lead to increased frequency and intensity of extreme weather events such as floods and drought.
- **Sea Level Rise:** Sea level is projected to increase by an additional 6-38 inches by 2100. Scientists' "best guess" estimate of a 20-inch rise would inundate 9,000 square miles of the United States, with Florida and the Gulf Coasts most at risk.

- **Agricultural Impacts:** Changes in growing seasons, water availability, soil moisture and precipitation could cause significant regional shifts in food productivity, with decreases in food production in many of the world's poorest regions.
- **Natural ecosystems will be degraded:** For example, during the next century the geographical range of forests is expected to move several hundred miles north exceeding the ability of many forests to migrate. The northeast may lose its beech trees and sugar maples. Western conifer forests will likely shrink.

Some Key Facts About Emissions.

- Climate change is a global issue, requiring a global response. While developed countries have contributed 75 percent of total greenhouse gas emissions since the beginning of the Industrial Revolution, by 2035, emissions from developing countries are expected to exceed those from developed countries.
- The United States, with only 4% of the world's population, is responsible for more than 20% of global emissions. U.S. per capita emissions are roughly 50% greater than the OECD average and eight times that of China.
- CO₂ emissions account for about 85% of all US greenhouse gas emissions, and fossil fuel combustion makes up 99% of U.S. CO₂ emissions.
- 1995 CO₂ emissions in the United States were divided equally among the three major end uses: buildings (35%), industry (34%), and transportation (31%).
- Current carbon emissions in the United States by fuel type are: petroleum (42%), natural gas (23%), and coal (35%)

Climate Change Can Be Addressed Without Hurting the Economy

The President's remarks to the Business Roundtable: "I have devoted my passion and the best ideas I could come up with to try to get this country in good shape economically and socially. But I do believe it is folly for us to believe that we can go into the next century without a strategy that says we're going to be responsible and we're going to do our part and lead the world on environmental issues . . . Let's find a way to preserve the environment, to meet our international responsibilities, to meet our responsibilities to our children, and grow the economy at the same time."

The economists agree. More than 2400 economists, including eight Nobel laureates, have publicly declared that, if implemented properly, emission reductions "would slow climate change *without harming American living standards*, and these measures may in fact improve U.S.

productivity in the longer run.”

Our international policies. The United States has proposed a three-part framework for achieving a stronger, more cost-effective and comprehensive treaty:

- **Binding Emission Targets.** To help guarantee the effectiveness of global efforts to reduce greenhouse gas emissions, the U.S. will promote binding targets for developed nations to reduce their emissions. Almost all developed nations, including the United States, will fall well short of the non-binding goals in the 1992 Rio Convention.
- **Flexibility.** To ensure that emission reductions are pursued in the most cost-effective manner, the Administration supports proposals for maximum flexibility, such as allowing the trading of emission permits among developed nations and allowing so-called “joint implementation,” under which developed and developing countries work together on specific energy projects to reduce emissions. These measures can provide strong incentives to achieve the greatest possible reductions at the lowest possible cost.
- **Participation of Developing Countries.** Climate change is a global problem that requires all nations to commit to appropriate action. While it is proper for industrialized nations to take the first steps, the developing countries -- whose emissions are projected to catch up with those of the developed world by 2035 -- must be part of the solution. The U.S. proposal calls on developing countries to advance their existing commitments under the 1992 Convention; and to agree to a subsequent negotiation in which, by 2005, they will accept binding targets and agree on a mechanism allowing “graduation” from developing country status to developed country status.

Our domestic policies. The President has not yet endorsed any emissions target or timetable, and specific policies to implement a target and timetable are still being developed. But the Administration’s policy work is guided by certain broad principles.

- President Clinton is committed to responsible, balanced action to confront the threat of climate change. The Administration rejects both extremes of the climate change debate: those who want to take drastic actions that would severely disrupt our economy and those who dismiss the scientific evidence and say we need not act.
- President Clinton will only take actions that preserve our vigorous economic growth. The Administration believes -- and has demonstrated -- that environmental protection and economic growth can and should go hand in hand.
- The Clinton Administration will emphasize solutions based on flexible, market-based policies, not government regulation. These programs include emissions

trading within the United States.

- The Clinton Administration will invest in research and development to promote technologies that reduce the emissions that cause climate change, save energy, and reduce our dependence on foreign oil. We will work to help American industry increase its role as the world leader in developing environmental technology.

The Administration Has a Strong Record to Build Upon.

Over the last four and a half years, the Administration has built a strong climate change record.

The Climate Change Action Plan (CCAP). CCAP began in 1993 with a goal of returning total U.S. greenhouse gas emissions to their 1990 levels by the year 2000. Although the CCAP will fall well short of this goal, CCAP programs will result in emissions reductions of about 76 million metric tons of carbon-equivalent by the year 2000.

The plan includes some 50 initiatives covering major sectors of the U.S. economy. It addresses energy demand, energy supply, and forestry. Agency participants include DOE, EPA, and USDA. The CCAP includes measures to reduce all significant greenhouse gases in all sectors of the economy. It is a voluntary program that relies on partnerships and cooperation between the public and private sectors in developing new low-emissions, high-efficiency technologies.

Because of lower-than-expected fuel prices and higher-than expected economic growth and electricity demand, overall emissions growth has outstripped the emissions reductions achieved by CCAP. Additionally, Congress has made significant reductions (about 40% in recent years) in CCAP's funding, thus preventing full implementation of some of CCAP's initiatives.

Federal energy consumption. The Energy Policy Act of 1992 and Executive Order 12902 challenge Federal building managers to reduce energy consumption by 20% per square foot by 2000, and 30% by 2005, relative to a 1985 baseline. With declining Federal resources available, the Federal Energy Management Program is emphasizing the use of private-sector investment through energy-saving performance contracting and utility financing of energy efficiency to meet these goals. The combination of Federal funding and anticipated private sector funding of up to \$4.3 billion through 2005 should make these goals attainable.

Partnership for a New Generation Vehicle (PNGV). Although the fuel economy of cars has nearly doubled in the last 25 years, Americans travel more than twice as many miles today as we did in 1970, with a net result of increased fuel consumption and increased greenhouse gas emissions from personal vehicles. While technology has reduced many of the emissions from automobiles, CO₂ emissions are the exception.

The PNGV program joins the big three U.S. automakers, Federal agencies and many suppliers of materials and equipment in an effort to develop a more efficient automobile. The program's goal

is to triple the fuel efficiency of passenger cars with no decrease in comfort or safety.

Partnership for Advancing Technologies in Housing (PATH). Energy use in buildings is responsible for about a third of U.S. greenhouse gas emissions, and rising. Major improvements can be made in the quality of housing, while reducing energy use by 50% or more and lowering costs. The PATH initiative will bring together building suppliers, assemblers, insurance companies, and state and local regulators to explore and demonstrate how innovation in construction markets can achieve environmental goals with an affordable, attractive product. Discussions are underway with jurisdictions in Colorado, Florida and California. HUD, DOE, and NIST are playing major roles.

Biomass Energy Initiative. The biomass energy initiative involves converting agricultural crops to liquid and gaseous fuels. The Departments of Energy and Agriculture are now working with private companies to improve technologies and to demonstrate the potential for such power projects to aid rural development. The initiative has sponsored pilot projects in New York, Minnesota and Iowa.

Million Solar Roofs Initiative. DOE will lead an effort to place one million solar energy systems on U.S. roofs by the year 2010, by using existing Federal grants, procurement, and other programs, and by working with local communities, businesses, governments, and utilities to increase sales of solar energy systems. By 2010, this initiative could avert carbon dioxide emissions equivalent to those of 850,000 cars and will produce the same electrical generating capacity as several coal-fired power plants.

The President's Committee of Advisors on Science and Technology (PCAST). The President directed PCAST to conduct a review of national energy R&D policies, which would assess their adequacy and "ensure the United States has a program that addresses its energy and environmental needs for the next century." PCAST will present its recommendations on publicly-supported R&D, incentives for private energy R&D, and commitments to international energy R&D, by October 1, 1997.

Regional Climate Change Workshops. The White House Office of Science and Technology Policy and the U.S. Global Change Research Program are sponsoring a series of workshops to examine the vulnerabilities of various regions of the United States to climate variability and climate change and to gather information across regions to support national scientific assessment (called for in the Global Change Research Act of 1990). Eighteen workshops with the full involvement of relevant stakeholders are being held in different regions of the country.

Climate Change Message

Climate change is a serious problem for us, our children and our grandchildren. The President is committed to taking responsible action to confront the threat that climate change poses. The United States will support international agreements that set realistic goals and that require participation by all countries -- industrial and developing. At home, we support flexible, market-based reforms based on the principle that vigorous economic growth and protection of the earth must go hand in hand. It is up to us not only to prepare our children for the world of the 21st century, but to protect that world for our children.

Climate Change Talking Points

The Need for Action

- There is now scientific consensus that (1) greenhouse gases are rapidly building up in the atmosphere; (2) that these increased concentrations will change our climate; and (3) that these changes may have serious adverse and disruptive consequences. Even those who would question whether climate change is *already* occurring recognize the truth of this fundamental proposition.
- In addition, the scientific evidence is clear and compelling that human activity -- notably increasing use of fossil fuels -- has in fact started to change the global climate. More than 2,600 of the world's leading scientists have said that "human-induced global climate change is underway" and that continued increases in emissions of carbon dioxide and other greenhouse gases "commits the earth irreversibly to further global climatic change and consequent ecological, economic and social disruption."
- Scientists agree that global warming and disruptions in the world's climate could seriously harm human health -- projections include an additional 50 million cases of malaria per year; increase the incidence and intensity of devastating floods and droughts; raise sea levels enough to inundate 9000 square miles along the U.S. coastline; decrease food production in some of the world's poorest nations; and threaten the survival of many plant and animal species.
- In December, more than 160 nations, including the United States, will meet in Kyoto in an effort to complete negotiations on a new international climate change agreement.

International Agreements -- Background and Principles

Background

- The new climate change convention will replace a 1992 agreement adopted at the Earth Summit in Rio. That agreement included *non-binding* commitments to reduce greenhouse gas emissions.
- The industrialized nations, including the United States, agree that the new convention should require them to set and reach *binding* commitments and timetables for reductions in greenhouse gas emissions.
- Members of the European Union and other industrialized countries have proposed that by the year 2010, developed nations agree to reduce their greenhouse gas emissions to a level 15 percent below 1990. The United States believes that target is unrealistic but we have not yet proposed our own target or timetable.

REMARKS BY THE PRESIDENT
IN ADDRESS TO THE UNITED NATIONS
SPECIAL SESSION ON ENVIRONMENT AND DEVELOPMENT

The United Nations
New York, New York

June 26, 1997

Thank you very much. Mr. President, Mr. Secretary General, ladies and gentlemen: Five years ago in Rio, the nations of the world joined together around a simple but revolutionary proposition, that today's progress must not come at tomorrow's expense.

In our era, the environment has moved to the top of the international agenda because how well a nation honors it will have an impact, for good or ill, not only on the people of that nation, but all across the globe. Preserving the resources we share is crucial not only for the quality of our individual environments and health, but also to maintain stability and peace within nations and among them. As the father of conservation in our nation, John Muir, said, "When we try to pick anything out by itself, we find it hitched to everything else in the universe."

In the years since Rio, there has been real progress in some areas. Nations have banned the dumping of radioactive wastes in the ocean and reduced marine pollution from sources on land. We're working to protect the precious coral reefs, to conserve threatened fish, to stop the advance of deserts. At the Cairo Conference on Population and Development, we reaffirmed the crucial importance of cooperative family planning efforts to long-term sustainable development.

Here in America, we have worked to clean up a record number of our toxic dumps and we intend to clean 500 more over the next four years. We passed new laws to better protect our water, created new national parks and monuments, and worked to harmonize our efforts for environmental protection, economic growth and social improvement, aided by a distinguished Council on Sustainable Development.

Yesterday, I announced the most far-reaching efforts to improve air quality in our nation in 20 years, cutting smog levels dramatically, and, for the first time ever, setting standards to lower the levels of the fine particles in the atmosphere that form soot. In America, the incidence of childhood asthma has been increasing rapidly. It is now the single biggest reason our children are hospitalized. These measures will help to change that, to improve health of people of all ages, and to prevent as many as 15,000 premature deaths a year.

Still, we here have much more to do, especially in reducing America's contribution to global climate change.

The science is clear and compelling: We humans are changing the global climate. Concentrations of greenhouse gases in the atmosphere are at their highest levels in more than 200,000 years, and climbing sharply. If the trend is not changed, scientists expect the seas to rise two feet or more over the next century. In America, that means 9,000 square miles of Florida, Louisiana, and other coastal areas will be flooded. In Asia, 17 percent of Bangladesh, land on which 6 million people now live, will be lost. Island chains such as the Maldives will disappear from the map, unless we reverse the predictions.

Climate changes will disrupt agriculture, cause severe droughts and floods and the spread of infectious diseases, which will be a big enough problem for us under the best of circumstances in the 21st century. There could be 50 million or more cases of malaria a year. We can expect more deaths from heat stress. Just two years ago, here in the United States in the city of Chicago, we saw the tragedy of more than 400 of our citizens dying during a severe heat wave.

No nation can escape this danger. None can evade its responsibility to confront it. And we must all do our part -- industrial nations that emit the largest quantities of greenhouse gases today, and developing nations whose green house gas emissions are growing rapidly. I applaud the European Union for its strong focus on this issue, and the World Bank for setting environmental standards for projects it will finance in the developing world.

Here in the United States, we must do better. With 4 percent of the world's population, we already produce more than 20 percent of its greenhouse gases. Frankly, our record since Rio is not sufficient. We have been blessed with high rates of growth and millions of new jobs over the last few years, but that has led to an increase in greenhouse gas emissions in spite of the adoption of new conservation practices. So we must do better, and we will.

The air quality action I took yesterday is a positive first step, but more must follow. In order to reduce greenhouse gases and grow the economy, we must invest more in the technologies of the future. I am directing my Cabinet to work to development them. Government, universities, business and labor must work together. All these efforts must be sustained over years, indeed, over decades. As Vice President Gore said Monday, "Sustainable development requires sustained commitment." With that commitment, we can succeed.

We must create new technologies and development new strategies like emissions trading that will both curtail pollution and support continued economic growth. We owe that in the developed world to ourselves and, equally, to those in the developing nations.

Many of the technologies that will help us to meet the new air quality standards can also help us to address climate change. This is a challenge we must undertake immediately and one in which I personally plan to play a critical role.

In the United States, in order to do our part, we have to first convince the American people and the Congress that the climate change problem is real and imminent. I will convene a White House Conference on Climate Change later this year to lay the scientific facts before our people, to understand that we must act, and to lay the economic facts there so that they understand the benefits and the costs. With the best ideas and strategies and new technologies and increased productivity and energy efficiency, we can turn the challenge to our advantage.

We will work with our people and we will bring to the Kyoto conference a strong American commitment to realistic and binding limits that will significantly reduce our emissions of greenhouse gases.

I want to mention three other initiatives briefly that we are taking to deal with climate change and to advance sustainable development here and beyond our borders.

First, to help developing nations reduce greenhouse gas emissions, the United States will provide \$1 billion in assistance over the next five years to support energy efficiency, develop alternative energy sources and improve resource management to promote growth that does not have an adverse effect on the climate.

Second, we will do more to encourage private investment to meet environmental standards. The Overseas Private Investment Corporation will now require that its projects adhere to new and strengthened environmental guidelines, just as our Export-Import Bank already does and as I hope our allies and friends soon will. Common guidelines for responsible investment clearly would lead to more sustainable growth in developing nations.

Third, we must increase our use of new technologies even as we move to develop more new technologies. Already, we are working with our auto industry to produce cars by early in the next century that are three times as fuel-efficient as today's vehicles. Now we will work with businesses and communities to use the sun's energy to reduce our reliance on fossil fuels by

installing solar panels on 1 million more roofs around our nation by 2010. Capturing the sun's warmth can help us to turn down the Earth's temperature.

Distinguished leaders, in all of our cultures we have been taught from time immemorial that, as Scripture says, "One generation passes away and another comes, but the Earth abides forever." We must strengthen our stewardship of the environment to make that true and to ensure that when this generation passes, the young man who just spoke before me and all of those of his generation will inherit a rich and abundant Earth.

Thank you very much.

THE WHITE HOUSE

WASHINGTON

September 26, 1997

Via Facsimile 54-1-344-3789

Dr. Alberto Kohan
Secretario General de la Presidencia
Balcarze 50, 1st Floor
1064 Buenos Aires
Argentina

Dear Alberto:

I appreciated the chance to speak with you earlier this week and look forward to seeing you next Wednesday in Buenos Aires.

As I mentioned, climate change is one of President Clinton's top priorities. Just one week before his trip to Argentina, the President will host a major White House conference on this subject. As you may know, negotiations under the global climate change treaty are expected to conclude in Kyoto this December.

I understand that our climate change negotiators have pursued the points we discussed this week, both in New York and Buenos Aires. I have asked our chargé in Buenos Aires to meet with you to discuss these matters with you in more detail before my arrival. I look forward to further discussions when we meet next week.

I hope you will give our climate change proposals the most serious consideration as we prepare for the President's trip. We look forward to a successful environment event in Bariloche.

Sincerely,



Mack McLarty

(Dictated but not read.)