

**DECLARATION OF PRINCIPLES
AMONG
UNITED STATES CUSTOMS AND BORDER PROTECTION,
THE DEPARTMENT OF ENERGY OF THE UNITED STATES OF AMERICA,
AND
THE MINISTRY OF STATE, OFFICE OF FINANCE, OF THE REPUBLIC OF
HONDURAS
CONCERNING COOPERATION TO ENHANCE THE SECURITY OF
CONTAINER CARGO**

United States Customs and Border Protection (CBP), the Department of Energy of the United States of America (DOE), and the Ministry of State, Office of Finance, of the Republic of Honduras (Honduras Customs), hereinafter referred to collectively as "Participants";

Recognizing the longstanding, close, and productive relations between the customs authorities of the United States of America and the Republic of Honduras;

Recognizing the volume of trade between Honduran seaports and United States seaports, and the role of the Republic of Honduras as an intermodal transport hub for cargo originating in many countries;

Being convinced of a need to enhance the security of high-risk cargo containers and to detect, deter, and where necessary, interdict the illicit trafficking in nuclear or other radioactive material, including terrorist attempts to disrupt global trade or to attempt to make use of commercial shipping to further terrorist schemes; and

Supporting CBP's Container Security Initiative, which is designed to safeguard global maritime trade by enhancing cooperation at seaports worldwide to identify and examine high-risk containers and strive to ensure their in-transit integrity;

Come to the following understanding:

I. SCOPE

1. Officers of CBP are to be stationed, on a pilot basis, at the Port of Cortes and other Honduran seaports, as determined by CBP and Honduras Customs. Such officers are to work in accordance with Honduras Customs guidelines and under the authority and administrative supervision of the Ambassador of the United States in Honduras, and cooperate with Honduras Customs to identify, screen, and facilitate the sealing of high-risk cargo containers through the use of inspection equipment that meets the standards promulgated by the World Customs Organization.

2. The selection of and order in which other Honduran seaports may join CBP's Container Security Initiative are to be determined by CBP in consultation with Honduras Customs.
3. At the request of the Government of the Republic of Honduras, Honduras Customs officers may be stationed in the United States as jointly determined by CBP and Honduras Customs, and such officers would work in accordance with CBP guidelines, with the same aim and under the same conditions established in this Declaration of Principles (Declaration).

Honduras confirms its determination to support the process of port modernization by putting into place a legal framework, which is expected to enter into force the first quarter of 2006 at the latest, that encourages a mix of public and private investment in the port and incorporates the concept of comprehensive security

4. The DOE, through its National Nuclear Security Administration, may provide technical assistance to the Government of the Republic of Honduras, through Honduras Customs, in the form of equipment, materials, training and services, for Honduras Customs' use at the Port of Cortes and other seaports in the Republic of Honduras as mutually determined by DOE and Honduras Customs, for the purpose of detecting and interdicting illicit trafficking in special nuclear material and other radioactive material. As used herein, "special nuclear material" means plutonium, and uranium enriched to 20 percent or more in the isotope U-235. "Other radioactive material" includes, but is not limited to, radioactive sources suitable for use in radiological dispersal devices.
5. DOE's technical assistance may include:
 - a. delivery and installation of equipment adapted as appropriate for customs control conditions (including testing, setup, and demonstration of the equipment) at the Port of Cortes and at other selected seaports in the Republic of Honduras;
 - b. delivery of spare parts kits, test equipment and other maintenance equipment to maintain the DOE-provided equipment;
 - c. training of Honduras Customs personnel and other appropriate Honduran personnel in detection of special nuclear material and other radioactive material, and in the proper use and maintenance of equipment provided by DOE;
 - d. support for maintenance of the equipment provided by DOE, as set forth in a maintenance and sustainability plan mutually determined by DOE and Honduras Customs; and
 - e. additional areas of cooperation of mutual interest to DOE and Honduras Customs.

6. Upon reasonable request by DOE, representatives of DOE may make technical evaluations of the DOE-provided equipment supplied under this Declaration, starting from the deployment date of the equipment.
7. DOE and Honduras Customs may conduct technical workshops, consultations, site surveys, verification inspections and acceptance testing of materials and DOE-provided equipment installed in Honduras. Joint working groups of technical experts may be formed to exchange technical information and to make proposals on technical and training matters to ensure the effective implementation of this Declaration.
8. The terms of any technical assistance provided by DOE under this Declaration are expected to be set forth in separate contracts or other written arrangements between DOE and Honduras Customs or their designated implementing agents.
9. Honduras Customs should endeavor to ensure that equipment and materials provided under this Declaration are afforded priority processing to allow prompt engineering approvals, and equipment and materials deliveries to their ultimate destination in the Republic of Honduras.

II. PROVISION OF INFORMATION

Honduras Customs is to furnish the United States Government, through its representatives (to be designated by DOE) present in Honduras and in a format and according to a schedule to be determined by DOE and Honduras Customs, with data on detections or seizures of special nuclear material and of other radioactive material made as a result of the use of the equipment and materials supplied under this Declaration.

III. NON-TRANSFER

Unless the written consent of the DOE has first been obtained, Honduras Customs should not transfer title to, or possession of, any equipment provided by the DOE pursuant to this Declaration, other than to other ministries, bureaus, agencies or departments within the Government of the Republic of Honduras.

IV. TAX AND CUSTOMS TREATMENT OF ASSISTANCE

The Participants understand that the United States Participants and their implementing agents are not to pay any taxes, duties or other charges on equipment, materials, training or services provided under this Declaration.

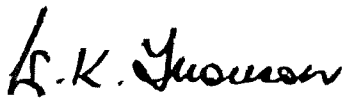
V. GENERAL PROVISION

The Declaration represents an understanding and cooperative arrangement among the Participants and does not constitute a legally binding agreement. All activities of each Participant and its implementing agents under this Declaration should be carried out in accordance with the laws and regulations of that Participant's Government and applicable international agreements to which that Participant's Government is party.

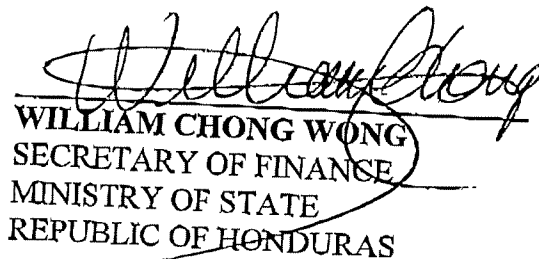
VI. EFFECTIVE DATE AND DURATION

Implementation of this Declaration may begin upon signature by all Participants. This Declaration may be modified in writing by all Participants' written consent. Any such modification may take effect upon signature by all Participants. If a Participant wishes to end its cooperation under the Declaration, it should endeavor to provide at least 90 days' advance written notice to the other Participants. Withdrawal from this Declaration of either (a) Honduras Customs or (b) both United States Participants will constitute termination of the Declaration.

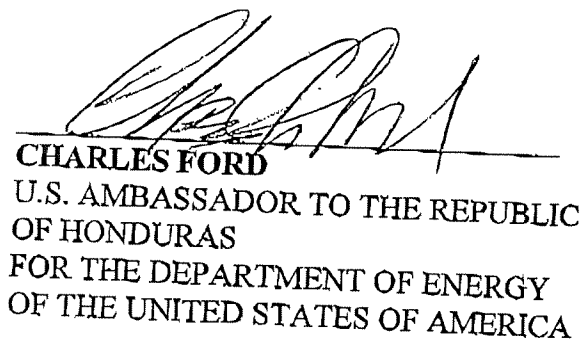
Signed in Tegucigalpa, Honduras on this 15th day of December 2005, in English and Spanish, in four originals.



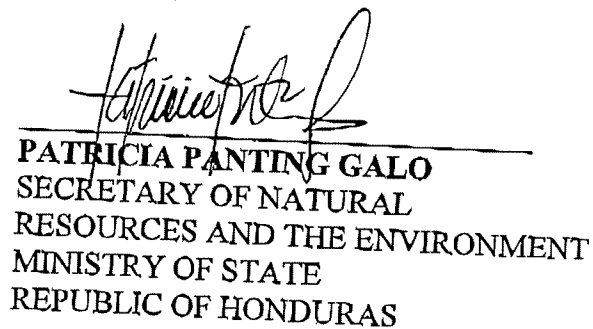
E. KEITH THOMSON
ASSISTANT COMMISSIONER
CUSTOMS AND BORDER PROTECTION
UNITED STATES OF AMERICA



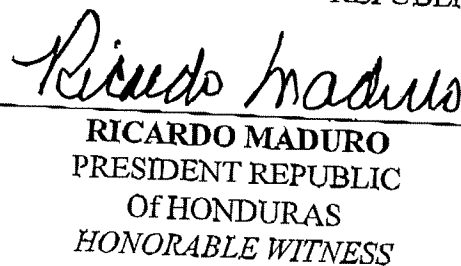
WILLIAM CHONG WONG
SECRETARY OF FINANCE
MINISTRY OF STATE
REPUBLIC OF HONDURAS



CHARLES FORD
U.S. AMBASSADOR TO THE REPUBLIC
OF HONDURAS
FOR THE DEPARTMENT OF ENERGY
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PATRICIA PANTING GALO
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RICARDO MADURO
PRESIDENT REPUBLIC
OF HONDURAS
HONORABLE WITNESS