

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE DEPARTMENT OF ENERGY OF THE UNITED STATES OF AMERICA
AND
THE MINISTRY OF FINANCE OF
THE COMMONWEALTH OF THE BAHAMAS
CONCERNING
COOPERATION TO PREVENT
THE ILLICIT TRAFFICKING IN NUCLEAR AND OTHER
RADIOACTIVE MATERIAL**

The Department of Energy of the United States of America (DOE) and the Ministry of Finance of the Commonwealth of The Bahamas (MOF), hereinafter referred to collectively as the "Participants";

Recognizing the high volume of trade between the Port of Freeport in the Commonwealth of The Bahamas and seaports in the United States of America, and The Bahamas' role as an intermodal transport hub for cargo originating in many countries; and

Being convinced of a need to detect, deter, prevent, and where necessary interdict illicit trafficking in nuclear and other radioactive material, including terrorist attempts to disrupt global trade through or from Bahamian ports or to attempt to make use of commercial shipping to further terrorist schemes;

Have reached the following understanding:

I. SCOPE OF COOPERATION

1. The DOE, through its National Nuclear Security Administration, may provide the MOF technical assistance in the form of equipment and materials, as well as training and services, for MOF's use at the Port of Freeport and other seaports in the Commonwealth of The Bahamas as mutually determined, 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.
2. DOE's technical assistance may include:
 - a. delivery and installation at the Port of Freeport and at other selected seaports in the Commonwealth of The Bahamas as the Participants mutually determine of

- equipment and devices adapted as appropriate for customs control conditions (including testing, setup, and demonstration of the equipment and devices);
- b. delivery of spare parts kits, test equipment and other maintenance equipment to maintain equipment and devices;
 - c. training of MOF personnel and other appropriate personnel in detection of special nuclear material and other radioactive material, and in the proper use and maintenance of equipment provided by DOE;
 - d. development of procedures and protocols for handling and disposing of special nuclear material seized by MOF as a result of use of the assistance provided by DOE under this Memorandum of Understanding (MOU); and
 - d. additional areas of cooperation of mutual interest to DOE and MOF.
3. Upon reasonable request by DOE, representatives of the DOE may make technical evaluations of the equipment supplied under this MOU for a period of three years starting from the deployment date of the equipment.
 4. DOE and MOF may conduct technical workshops, consultations, site surveys, verification inspections and acceptance testing of materials and installed equipment. 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 MOU.
 5. The terms of any technical assistance provided under this MOU are expected to be set forth in contracts or other written arrangements between DOE and MOF or their designated implementing agents.
 6. The MOF should endeavor to ensure that equipment and materials provided under this MOU are afforded priority processing to allow prompt engineering approvals, and equipment and materials deliveries to their ultimate destination in The Bahamas.

II. PROVISION OF INFORMATION

MOF is to furnish the United States Government, in a format and according to a schedule to be determined by the Participants, with data on any 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 the MOU. The Participants intend to exchange technical information necessary to ensure the effective implementation of this MOU.

III. NON-TRANSFER, NON-DISCLOSURE

1. Information obtained by either Participant's Government as a result of the technical assessment and implementation of cooperation under this MOU is not to be disclosed to a third government or other third party without the prior consent of the other Participant. Transfer of information by either Participant's Government, as required under international agreements to which such Government is a party, is not regarded as such disclosure to third governments or other third parties. The fact of any such transfer of information to a third government or other third party is to be promptly notified to the other Participant in writing.
2. Unless the written consent of the DOE has first been obtained, the MOF is not to transfer title to, or possession of, any equipment provided by the DOE pursuant to this MOU, other than to bureaus, agencies or departments within the Government of the Commonwealth of The Bahamas.

IV. TAX AND CUSTOMS TREATMENT OF EQUIPMENT

The Participants understand that the DOE is not to pay any taxes, duties or other charges on equipment, materials, training or services provided by the DOE under this MOU.

V. GENERAL PROVISION


The MOU represents a political commitment by both sides and does not constitute a legally binding agreement. All activities of each Participant and its implementing agents under this MOU are to be carried out in accordance with the laws and regulations of that Participant's Government and with applicable international agreements to which that Participant's Government is party.

VI. EFFECTIVE DATE AND DURATION

Implementation of this MOU is to begin upon signature by both Participants. This MOU may be modified in writing by the Participants' mutual consent. Any such modification is to take effect upon signature by the Participants. If either Participant wishes to end its cooperation under the MOU, it should endeavor to provide at least 90 days' advance written notice to the other Participant.

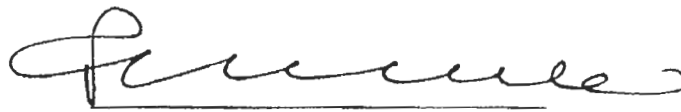
Signed at NASSAU, N.P.
BAHAMAS, in duplicate, this 30th day of DECEMBER, 2004.

FOR THE DEPARTMENT OF ENERGY
OF THE UNITED STATES OF AMERICA:



Robert M. Witajewski
Chargé d'Affaires

FOR THE MINISTRY OF
FINANCE OF
THE COMMONWEALTH OF THE
BAHAMAS:



Ruth Millar
Financial Secretary