

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE DEPARTMENT OF ENERGY OF THE UNITED STATES OF AMERICA,
AND
THE MINISTRY OF FINANCE AND PUBLIC ADMINISTRATION
AND THE MINISTRY OF PUBLIC WORKS, TRANSPORT AND
COMMUNICATIONS
OF THE PORTUGUESE REPUBLIC
CONCERNING
COOPERATION TO PREVENT
ILLCIT TRAFFICKING IN NUCLEAR AND OTHER RADIOACTIVE MATERIAL

The Department of Energy of the United States of America (DOE), and the Ministry of Finance and Public Administration and the Ministry of Public Works, Transport and Communications of the Portuguese Republic (constituting a single Participant, hereinafter the "Portuguese Participants"), all collectively referred to as the "Participants":

Recognizing the volume of trade between the Port of Lisbon and seaports in the United States of America, and Portugal's role as a transport hub for cargo originating in many countries;

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

Noting the U.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 ensure their in-transit security; and

Noting further the Agreement between the United States of America and the European Community on Customs Cooperation and Mutual Assistance in Customs Matters of 28 May, 1997, as amended,

Have reached the following understanding:

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I. SCOPE OF COOPERATION

1. The DOE, through its National Nuclear Security Administration, may provide technical assistance, at no cost to the Government of the Portuguese Republic (hereinafter Portugal), in the form of equipment and materials, as well as training and services, for use at the Port of Lisbon and other locations in Portugal as jointly determined by the Participants, to detect and interdict 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. Each Participant may, following written notification to the other Participant, delegate responsibilities for the implementation of this Memorandum of Understanding ("MOU") to other ministries or agencies of its respective government.
3. DOE's technical assistance may include:
 - a. delivery and installation at the Port of Lisbon and at other seaports in Portugal as the Participants mutually determine of equipment adapted as appropriate for customs control conditions (including testing, setup, and demonstration of the equipment);
 - b. delivery of spare parts kits, test equipment and other maintenance equipment to maintain the DOE-supplied equipment;
 - c. support for maintenance of the equipment provided by DOE, as set forth in a maintenance and sustainability plan jointly determined by the Participants;
 - d. training of the Portuguese Participants' 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;
 - e. training and technical consultations concerning trends in nuclear smuggling and other matters related to detections of nuclear and other radioactive materials; and
 - f. additional areas of cooperation of mutual interest to the Participants.
4. Upon request by DOE, representatives of the DOE may make technical evaluations of the equipment supplied under this MOU.

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5. The Participants 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.
6. 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 one or both Portuguese Participants or their designated implementing agents.
7. The Portuguese Participants 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 Portugal.

II. PROVISION OF INFORMATION

The Portuguese Participants are to furnish the Government of the United States of America, through its representatives (to be designated by DOE) present in Portugal and in a format and according to a schedule to be determined by the Participants, 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 the MOU.

III. NON-TRANSFER OF EQUIPMENT

Unless the written consent of the DOE has first been obtained, the Portuguese Participants should not transfer title to, or possession of, any equipment provided by the DOE pursuant to this MOU, other than within the Government of Portugal.

IV. TAX AND CUSTOMS TREATMENT OF EQUIPMENT

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

V. GENERAL PROVISION

This 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 should 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

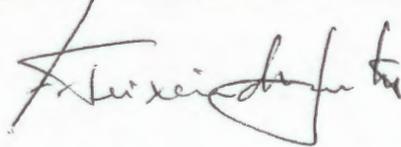
Implementation of this MOU may begin upon signature by both Participants. This MOU may be modified in writing by the Participants' mutual consent. Any such modifications may take effect upon signature by both Participants. If either Participant wishes to end its cooperation under the MOU, it should endeavor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

Signed at Lisbon, in duplicate, the twenty-sixth day of May 2008, in the English and Portuguese languages.

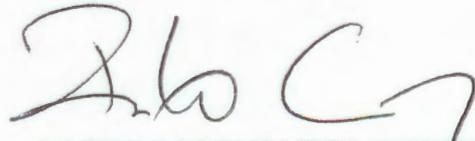
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