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**MEMORANDUM OF UNDERSTANDING**

**for the establishment of a**

**KNOWLEDGE AND INNOVATION INITIATIVE ON POVERTY  
REDUCTION**

**Between the**

**MINISTRY OF  
SOCIAL DEVELOPMENT AND FIGHT AGAINST HUNGER OF THE  
FEDERATIVE REPUBLIC OF BRAZIL**

**and**

**INSTITUTE FOR APPLIED ECONOMIC RESEARCH (Brazil)**

**and**

**UNITED NATIONS DEVELOPMENT PROGRAMME**

**and**

**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT  
INTERNATIONAL DEVELOPMENT ASSOCIATION**

**March 5, 2013**

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This Memorandum of Understanding (“Memorandum” or “MOU”) represents a statement of intent by and between: the Ministry of Social Development and Fight against Hunger of the Federative Republic of Brazil (“MDS”); the Institute For Applied Economic Research linked to the Secretariat of Strategic Affairs of the Presidency of the Federative Republic of Brazil (“IPEA”); the United Nations Development Programme, through its International Policy Center for Inclusive Growth (“IPC-IG”) (“UNDP”); and the International Bank for Reconstruction and Development (“IBRD”) and the International Development Association (“IDA”) (collectively, the “World Bank” or the “Bank”) (each a “Signatory” and together, the “Signatories”), to collaborate in the achievement of common objectives on the basis outlined below.

WHEREAS:

- (a) MDS is responsible for the coordination of the *Brasil Sem Miséria* Plan and has gained great experience in the implementation and oversight of programs to reduce poverty and inequality in Brazil;
- (b) IPEA is a fundamental source of in-depth data, knowledge and analytical work on the Brazilian economy and social policies;
- (c) UNDP, through its IPC-IG is a recognized source of expertise on the analysis of social policy in Brazil and worldwide, and has well-established skills in global networking and interaction;
- (d) The World Bank has an engagement on social and poverty reduction programs within Brazil and in numerous countries around the world, as well as significant analytical and networking capacity;
- (e) The Signatories have partnered in the preparation, appraisal and implementation of numerous development projects over the past decades. Through their collaboration, teams from each Signatory have amassed knowledge and skills on how to implement innovative solutions. This knowledge needs to be more readily available to other teams in Brazil and globally, that seek to address the issues of the same nature.
- (f) MDS, IPEA, UNDP and the Bank desire to collaborate in addressing the above-mentioned needs, making use of Brazil’s unique social development experience and leveraging the Signatories’ competencies in the development field.
- (g) MDS, IPEA, UNDP and the Bank recognize the importance of: (i) supporting the consolidation of the experience of individual social development practitioners in order to facilitate the dissemination of knowledge; (ii) connecting development practitioners’ experiences and policy implementation results to contextual data on social conditions, country capacities, and other factors that affect delivery outcomes in order to situate the results of innovations into their specific context; (iii) creating effective mechanisms to share knowledge on the execution of policies and on how to ensure an effective delivery of services in different contexts and stimulate continuous learning by policy makers and practitioners;

and (iv) setting up virtuous cycles of learning, in which development practitioners implement, monitor and evaluate innovations, and use the evaluation results to inform changes in the design of programs and/or policies and to inform new initiatives.

NOW THEREFORE the Signatories intend as follows:

**1. Common Objectives**

The Signatories, as part of their new partnership and common objectives to support the effort to overcome extreme poverty in Brazil and to promote more inclusive development, have the desire to collaborate with respect to the development of a Knowledge and Innovation Initiative on Poverty Reduction (the "Initiative").

**2. Framework for Collaboration**

- (a) The Initiative will be hosted by the MDS and IPEA, by the IPC-IG on the part of the United Nations, and the World Bank Country Office on the Bank side.
- (b) Through their collaboration the Signatories will aim to:
  - (i) Increase the impact of successful public policy approaches implemented in Brazil;
  - (ii) Support the discussion on innovative approaches to tackle core issues related to poverty reduction through a network of practitioners;
  - (iii) Apply a rigorous approach to the development, implementation, monitoring, evaluation and dissemination of innovative policies;
  - (iv) Facilitate the scaling up and delivery of innovative policies and the dissemination of their results nationwide;
  - (v) Facilitate knowledge-sharing and learning between Brazil and other countries, including through international technical cooperation initiatives; and
  - (vi) Make use of and leverage existing resources and facilities to mutual advantage and benefit.

**3. Manner of Collaboration and Consultation**

- (a) The Signatories anticipate that their collaborative activities will focus on developing and supporting knowledge projects in a number of areas, each of them dealing with a particular sector or area of social development. The Signatories intend to launch the Initiative with a knowledge program focused on the *Brasil Sem Miséria* Plan, as the first phase with a specific work plan to be agreed by the Signatories.
- (b) Each Working Plan will seek to include the following information, as relevant: (i) a description of the major project activities to be undertaken, including any

follow-up activities; (ii) the names of person(s) or entities designated to perform the activities; (iii) the organization and execution of the activities; (iv) a proposed budget, sources of funding and cost-allocation; (v) a timeline; and (vi) an agreement on the intellectual property rights, publication and use of the outputs. Each Signatory shall be responsible for its own share of the associated financial and other obligations, unless otherwise agreed by the Signatories.

- (c) The Signatories will at such intervals as deemed appropriate, convene meetings to review and evaluate the effectiveness of collaboration between them.

#### **4. Representatives and Contact Information**

The responsibility for the collaboration envisaged pursuant to the framework established by this Memorandum shall lie with the Signatories who will each designate a representative, as indicated below. By written notice to the other Signatories, any Signatory may designate different persons as its representatives.

For MDS Paulo de Martino Jannuzzi  
Secretary for Information Assessment and Management  
Ministry of Social Development and Fight against Hunger

For IPEA Mr. Marcelo Neri  
President, Institute for Applied Economic Research

For UNDP Mr. Jorge Chediek  
Resident Representative United Nations Development Programme

For the Bank Ms. Deborah Wetzell  
Country Director, Brazil  
The World Bank

#### **5. Implementation; Limits to Agreement**

This Memorandum does not constitute or should not be construed as an agreement, joint venture, agency or legal partnership between the Signatories, nor does it represent a commitment by any of the Signatories to enter into or provide support for any specific activity. In order to implement any activities further to this MOU, the respective parties to those activities will conclude agreements or other arrangements as it will be agreed between them, in accordance with their respective regulations, rules, policies and procedures.

- (a) Specific arrangements for individual activities will be set forth in the Working Plans to be jointly formulated by the Parties.
- (b) This Memorandum does not constitute or should not be construed as a waiver of the privileges and immunities of IBRD, IDA and UNDP, or their officers and employees, which privileges and immunities are hereby specifically reserved.

- (c) The Signatories agree that this Memorandum and information with respect to the collaborative activities contemplated herein will be publicly disclosed by the Bank in accordance with the Bank's Policy on Access to Information. Such disclosure does not exclude additional disclosure of the Memorandum and related information, by any other Signatory to this Memorandum, which disclosure will be made in accordance with the Signatory's respective disclosure policy.

Notwithstanding the paragraph above, the Signatories shall not publicly disclose information that either Signatory has provided to the other, as a result of this Memorandum, that the Signatory has explicitly indicated in writing, and marked the information accordingly, as having been provided on a confidential basis, except after having obtained the other Signatory's prior written consent to disclose.

- (d) No Signatory shall be an agent or representative of any of the other Signatories. No Signatory shall enter into any contract or commitment on behalf of the any of the other Signatories and shall be solely responsible for making all payments to and on behalf of its own account, as provided under this MOU and under financing or other agreements concluded further to this MOU.
- (e) Each Signatory shall be responsible for its acts and omissions in connection with this MOU and its implementation.

## **6. Use of Name and Emblem**

- (a) No Signatory shall use the name, emblem or trademarks of any of the other Signatories, or any of their subsidiaries, and/or affiliates, or any abbreviation thereof, without the express prior written approval of such other Signatory(ies) in each case. Notwithstanding the generality of the foregoing in no event will authorization to use the UNDP or World Bank name or emblem, or any abbreviation thereof, be granted for commercial purposes, or for use in any manner that suggests an endorsement by UNDP or the World Bank.
- (b) The Signatories acknowledge that they are familiar with each other's ideals and objectives, and recognize that their name and emblem may not be associated with any political or sectarian cause or otherwise used in a manner inconsistent with the status, reputation and neutrality of any of the Signatories.
- (c) Nothing in this MOU grants to any Signatory the right to create a hyperlink to any of the other Signatories' website. Such link may be created only with each respective Signatory's written authorization.
- (d) The Signatories agree to recognize and acknowledge this partnership, as appropriate. To this end, the Signatories shall consult with each other concerning the manner and form of such recognition and acknowledgement.

**7. Disputes, Controversies and Claims**

- (a) In case of a dispute, controversy, or claim between any or all of the Signatories arising out of or relating to this Memorandum or an agreement for any activity or project undertaken pursuant thereto, the Signatories shall attempt to reach an amicable resolution in good faith.
- (b) In the event an attempt to reach an amicable resolution proves unsuccessful within thirty calendar days after the first Signatory(ies) has formally notified the dispute, controversy, or claim to the other Signatory(ies) in writing, any such dispute, controversy, or claim shall proceed to arbitration to be finally settled in accordance with the then-current UNCITRAL Arbitration Rules. The number of arbitrators shall be three. The appointing authority shall be the Secretary-General of the Permanent Court of Arbitration in The Hague. The language of arbitration shall be English.

**8. Term**

- (a) This Memorandum shall come into force and effect upon signature by all Signatories on the date set forth below with an initial term of two years. Unless modified or terminated as provided below, the term of this Memorandum shall be automatically extended at the end of the initial term for another term of two years, after which any further extensions must be agreed in writing by between the Signatories.
- (b) At the end of the initial term of this Memorandum, a joint assessment by all Signatories will be carried out to review the results and lessons learned from their collaborative activities. The views of stakeholders on the nature and progress of activities or projects may be obtained by the Signatories in connection therewith. The Signatories will discuss and share any conclusions reached which may have a bearing on the Signatories' collaboration under this Memorandum. On the basis of such assessment, the Signatories may keep in force, modify or terminate this Memorandum as provided for below.

**9. Modification and Termination**

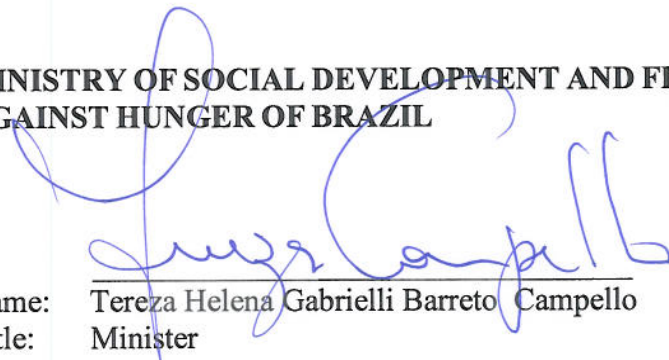
This Memorandum may be modified or terminated at any time by mutual written agreement of the Signatories. Further, the Memorandum may be terminated by any of the Signatories at its sole discretion with sixty (60) calendar days prior notice in writing to the other Signatories.

In witness whereof, the Signatories have caused this Memorandum of Understanding to be executed as of the day and date written below.

Executed in eight counterparts of equal content and form, four in English and four in Portuguese. In the event of any inconsistency between the English and Portuguese counterparts, the English counterpart will take precedence.

Brasília, March 5, 2013

**MINISTRY OF SOCIAL DEVELOPMENT AND FIGHT  
AGAINST HUNGER OF BRAZIL**




Name: Tereza Helena Gabrielli Barreto Campello  
Title: Minister

**INSTITUTE FOR APPLIED ECONOMIC RESEARCH**



Name: Marcelo Neri  
Title: President

**UNITED NATIONS DEVELOPMENT PROGRAMME  
INTERNATIONAL CENTER FOR INCLUSIVE GROWTH**



Name: Jorge Chediek  
Title: Resident Representative

**INTERNATIONAL BANK FOR RECONSTRUCTION AND  
DEVELOPMENT AND  
INTERNATIONAL DEVELOPMENT ASSOCIATION**



Name: Jim Yong Kim  
Title: President

