

COOPERATION PROTOCOL

by and between

THE CITY OF CAPE TOWN
(Hereinafter referred to as “Cape Town”)

Duly represented by **Ald Dan Plato** in his capacity as **Executive Mayor** and duly authorized thereto

and

THE CITY OF RIO DE JANEIRO
(Hereinafter referred to as “Rio”)

Duly represented by **Mr Carlos Alberto Muniz** in his capacity as **Deputy Mayor** and duly authorized thereto

(Hereinafter referred to as “the Parties”)

PREAMBLE

WHEREAS Cape Town and Rio share many areas of commonality, such as the colourful Rio and Cape Carnivals, well developed tourism industries, famous and beautiful coastlines and informal settlements dotting the peripheries of the urban edges of both cities;

WHEREAS Brazil will be hosting the next FIFA World Cup in 2014 and whereas Cape Town has been acclaimed by many of the visitors who attended the World Cup, as the most successful host city of the 2010 World Cup extravaganza;

WHEREAS the Parties wish to promote better goodwill, friendship and mutual understanding, as well as cooperation between the peoples of the two cities;

WHEREAS the Parties have recognised the importance of the principles of equality and mutual benefits.

AND WHEREAS the Parties acknowledge that they are bound to the Laws of their respective Countries.

NOW THEREFORE the Parties agree as follows:

ARTICLE 1

Purpose of this Declaration

The Parties declare their intention to establish a co-operative relationship, in accordance with prevailing laws and regulations of each country, in the following fields:

- 1.1 Public open space management, including the management of beaches, safety and security.
- 1.2 Sports and events management, including hosting of the World Cup and legacy projects.
- 1.3 Carnival management and potential tourism linked to these events.
- 1.4 Sustainable development and environmental management.
- 1.5 Urban management.
- 1.6 Policing.

ARTICLE 2

Objectives of the Cooperation

The Parties undertake to work together in appropriate ways towards achieving growth and development related to social, economic and environmental goals within each city's area of jurisdiction, and to realising the full potential of each city.

ARTICLE 3

Areas of Cooperation

In giving effect to these undertakings, the Parties commit themselves:

- 3.1 To build integrated and sustainable partnerships with one another in which expertise, research and best practices are shared with the goal of achieving the purposes as mentioned in Article 2 hereof.
- 3.2 To seek to understand each other's priorities, capacities and constraints.
- 3.3 To develop mechanisms to identify mutually agreed programmes and projects for the purpose of achieving the goals mentioned in Article 2 hereof.
- 3.4 To further the development goals of each city in a sustainable manner.
- 3.5 To promote innovation and knowledge transfer.

ARTICLE 4

Duration

- 4.1 This Cooperation Protocol comes into effect upon signature and will remain effective unless and until terminated by written mutual agreement by both Parties.
- 4.2 This Cooperation Protocol shall be subject to a review within 3 (three) years from the date of signature hereof. Any changes hereto shall be reduced to writing and signed by both Parties.

ARTICLE 5

Good Faith and Dispute Resolution

The Parties must seek to resolve any dispute concerning the implementation of this Cooperation Protocol through dialogue and discussions in good faith.

ARTICLE 6

Warranties

- 6.1 The Parties commit themselves to identify and undertake projects in line with the objectives of this Cooperation Protocol.
- 6.2 The Parties warrant that when the projects as mentioned in 6.1 herein are identified, they shall make every effort to obtain the necessary authority to implement and fund said projects and further agreements will be entered into.
- 6.3 The Parties warrant that they have the necessary authority and will to commit to this Cooperation Protocol.
- 6.4 The Parties warrant that this Cooperation Protocol is in accordance with and does not conflict with their respective legal systems.

ARTICLE 7

Funding

- 7.1 At the signing of the Cooperation Protocol there are financial implications that are foreseen but are not immediately ascertainable.
- 7.2 None of the financial implications or obligations which might arise out of this Cooperation Protocol shall extend beyond 3(three) years.
- 7.3 Should the financial implication or obligations extend beyond the period as mentioned in 7.2, the Parties shall at the end of the prescribed 3(three) years renegotiate this Cooperation Protocol and enter into a new Cooperation Protocol.
- 7.4 The renegotiated Cooperation Protocol as contemplated in clause 7.3 herein shall be reduced to writing and signed by both Parties.
- 7.5 The Parties commit themselves to the best of their endeavours to make the projects resulting from this Cooperation Protocol financially viable.

ARTICLE 8

Monitoring and Administration.

Each City will appoint a Commission composed of three members who will be responsible for the good execution of its provisions.

Signed at on the day of February 2011.

In four authentic copies, two of each in English and Portuguese. In the event of divergence of interpretation, the English text shall prevail.

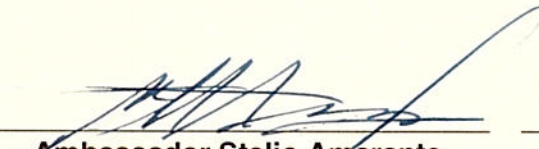


Ald Dan Plato
Executive Mayor
City of Cape Town

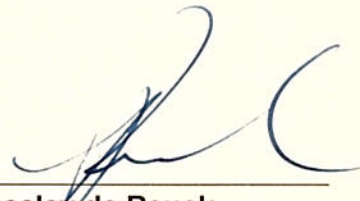


By special power delegation
Mr Carlos Alberto Muniz
Deputy Mayor
City of Rio de Janeiro

Witnesses



Ambassador Stelio Amarante
Coordinator of International Relations
City of Rio de Janeiro



Mr Lesley de Reuck
Director
Cape Town Stadium