

**COOPERATION AGREEMENT BETWEEN THE GOVERNMENT OF MANITOBA, CANADA
AND THE GOVERNMENT OF THE REGION OF VALPARAISO, CHILE**

The Government of Valparaiso, represented by its President, Regional Intendentia, M. Josefina Bilbao Mendezona, and the Government of Manitoba, represented by the Minister of Industry, Trade and Mines, MaryAnn Mihychuk, agree to promote cooperation between their respective governments, in order to determine the most favourable conditions for achieving social, civil, cultural and economic progress in both local jurisdictions.

I. OF THE PARTIES

The Government of Valparaiso and the Government of Manitoba are hereinafter integral Parties of this Cooperation Agreement (the "Agreement") and attached accords and become responsible entities and subscribing Parties to the Agreement, within the framework of the different accords already in existence between Chile and Canada.

II. CONSIDERING:

The existence of a Free Trade Agreement between Chile and Canada;

The growing trend of interrelationship among the American states, by virtue of open border policies and commercial liberalization;

The need to establish contacts with other jurisdictions in a variety of areas, in terms of cultural, economic, social and other matters; and

The new political and economical order that predominates in the countries of this hemisphere.

III. AGREE TO

Ratify the Agreement under the general norms established in the accords signed by both Chile and Canada and the objectives that follow.

IV. OBJECTIVES:

To foster the cooperation of the two Parties for the pursuit of international business activities;

To promote the creation of appropriate guidelines and policies in order to encourage reciprocal investment promotion for both Parties;

To develop areas of cooperation that lead to initiatives in the areas of science, technology, academics and culture, among others, between the Parties;

To establish permanent contact between the leaders of both Parties, in order to assure the viability and duration of the accord;

To promote opportunities for joint commercial and economic activities; and

- To identify appropriate contacts in the cities of Valparaiso and Winnipeg, with the intention of encouraging dialogue and cooperation.

V. EACH PARTY'S COMMITMENT

The Parties will undertake to pursue the fulfillment of the following goals:

- To fully develop the attached accords related to the specific projects, which are integral parts of the general framework of the Agreement;

To commit the resources at its disposal in order to maximize and develop each of the attached accords;

- To designate an Accord Coordinating and Operating Committee, which among its duties shall include the preparation and delivery of reports to the appropriate authorities.

VI. AREAS OF COOPERATION

- 1 Initially, the Parties agree to implement the following actions in the area of trade, which are part of the exhibits that make up this agreement.
 - a) To initiate measures that tend to promote and facilitate exports for both Parties in those areas where each holds comparative advantages. In order to achieve this goal, the Parties agree to undertake the project in the specific accord entitled "**Accord on the Support of Small and Medium Sized Businesses for the Valparaiso Region on their Penetration of the North American Market,**" which is attached to the Agreement.
 - b) To promote the exchange of experience and technology applications to maximize the eco-tourism services in the both regions for which the Parties agree to undertake the project in the specific accord entitled "**Accord for the Development and Management of Eco Tourism Projects: their commercialization in the North American Market,**" which is attached to the Agreement.
2. The signing Parties agree to carry out the actions intended to promote the areas of cooperation and to sign the accompanying exhibits which will become integral parts of the present agreement in the following areas:
 - a) **In the area of technology and development with social impact,** both Parties will endeavour to facilitate the transfer of specific technology in the area of fire fighting.
 - b) **In the institutional field,** both parties will promote the transferring of experiences related to Municipal Administrations and Decentralized Governments with the aim of applying in each region successful programs already in existence.
 - c) **In the area of education,** the signing parties will endeavour to promote the following cooperation initiatives:

To develop technical, scientific, and technological cooperation between each region's high learning institutions.

 - To implement student exchange programs at every level of education in both regions.

To develop a project in the technological field, specifically targeted at the establishment of a Technical Education Center in the Valparaiso Region.
 - d) **In the area of Art and Culture,** the signing parties will implement the appropriate mechanisms to promote relationships between the main cultural agencies, with the aim of expanding areas of creativity and expression, promoting the exchange between the main artistic and cultural exponents at important events in both regions.

• **VII. FINAL CONSIDERATIONS**

Each of the signing parties may designate representatives with the delegated ability to sign the addendums that are agreed to as part of this Agreement.

The agreement will comply with current legislation in the jurisdiction of both signing Parties.

The duration of the Agreement will be for an indefinite period of time, and neither Party can terminate it unilaterally. This agreement can be terminated with three months notice and the consent of both parties.

The Agreement has been drafted in two versions, one in English and the other one in Spanish both having congruent content and identical validity.

For the Province of Manitoba

For the Region of Valparaiso

Original signed

Original signed

Date: October 24, 2000

"Accord on the Support of Small and Medium Sized Businesses from the Valparaiso Region on their Penetration of the North American Market"

Considering:

The growing need by businesses from the Region of Valparaiso (to increase their exports to the North American market to secure the widest and best consumer market for their products and services produced in the Valparaiso Region;

The interest of the Government of Valparaiso to support small and medium sized businesses in attaining that goal; and

The interest from the Government of Manitoba for promoting Manitoba exports and Manitoba business in general to the Valparaiso Region and Chile.

Whereas:

The Government of Manitoba's significant experience in penetration of the North American market, considering that 80% of its foreign exports are sent to the United States and Mexico, both of whom are members of NAFTA;

Business people, government and private sector agencies of the Province of Manitoba involved in foreign trade have the expertise and knowledge of the norms, mechanisms and distribution and/or commercialization channels, and at the same time having a developed industry which can be used as the basis for transferring technology in processing and for the modernization of equipment for companies of Valparaiso; and

The advantages of joining forces in the mutual promotion of services and products.

It is agreed:

That the Government of Manitoba through its external trade agency "Manitoba Trade and Investment" and other entities/private consultants that may be considered pertinent, will provide technical assistance to the Government of Valparaiso and to the different specialized entities from the private sector and government, in order to facilitate the process of exporter development from the region towards the North American Market, including Canada, the United States and Mexico.

This assistance will include, but not be limited to, the following:

- Analysis of sectoral business opportunities for products from the Valparaiso Region;
- Sectoral seminars, by geographical location and product;
- Assistance to define opportunities for the placement of products from the Valparaiso Region into those markets;
- Identification of strategic alliance opportunities with Manitoba businesses for the development of products in the Valparaiso Region; and
- Identification of potential agents, representatives and/or distributors in the North American market for Valparaiso Region products.

The Government of Valparaiso will develop a program with Manitoba's Foreign Representative in Chile with the objective of promoting, in the Valparaiso Region, opportunities for export, investment and other forms of business by Manitoba companies or individuals

This assistance will include, but not be limited to, the following aspects:

- Analysis of sectoral business opportunities for products from the Province of Manitoba;
- Sectoral seminars, by geographical location and product;
- Assistance to identify opportunities for Manitoba products in the Valparaiso Region;
- Identification of strategic alliance opportunities with businesses from the Valparaiso Region;
- Identification of agents, representatives and/or distributors in Chile for Manitoba products; and

Identification of business opportunities for the regions within the territorial areas that make up MERCOSUR, in particular the provinces of Mendoza, San Luis and Cordoba in the Republic of Argentina and the southern states of the Republic of Brazil.

The Parties agree that the Government of Valparaiso will attempt to develop the pertinent means to secure the required financing which will allow the export opportunity programs into the North American market to be established.

The Parties agree that the Government of Manitoba will attempt to develop the pertinent means to secure the financing which will allow the fulfillment of the market penetration goals of the Government of Manitoba, which will be facilitated through the offices of Manitoba Trade in Chile, located in the City of Santiago, Chile.

For the purpose of implementing the present accord and to conform to the framework of the Agreement, the Parties agree to designate one representative from each Government, together with the Agent of Manitoba Trade in Chile, who will then be responsible for the proper and efficient execution of the present accord.

The present accord has been drafted in two versions, one in English and the other one in Spanish both with congruent content and identical validity.

For the Province of Manitoba

For the Region of Valparaiso

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Date: October 24, 2000

"Accord on the Development and Management of Eco-Tourism Projects: Their Commercialization in the North American Market"

Considering:

Considering that the Region of Valparaiso ("Valparaiso") has great advantages for the practice of adventure tourism not only in the marine sector, but also the area of mainland and outlying regions;

That the area's tourism development has to diversify in order to maintain and improve the number of tourists not only from South America, but also from North America;

The convenience of having the Government of Valparaiso supporting those initiatives and playing a leveraging role in the regional development of tourism based on appropriate environmental standards; and

The need for the Government of Valparaiso to also support initiatives to generate new areas of resources through adventure tourism that may be developed in the Valparaiso Region.

Whereas:

The Province of Manitoba, given its special geographical characteristics, has great experience in the area of eco-tourism and adventure tourism development;

That along with the unique geographical conditions of the area, there has been a significant level of public and private investment, which has resulted in a strong infrastructure and a number of studies related to tourism development.

It is agreed:

To promote the development of the eco- and adventure tourism industry in the Valparaiso Region by optimizing the efforts of tourism agencies, the quality and certification of product and services; by promoting new businesses that complement this effort and by a better commitment from the community to protect the environment.

The Government of Manitoba, through its specialized public and private entities, will assist the Government of Valparaiso in the development of policies and proper methods to promote new sources of eco- and adventure tourism in the Region of Valparaiso.

For the purpose, emphasis will be placed on the following aspects, but not limited to:

Theoretical and practical programs required for the development of eco/adventure-tourism;
Creation of a protective public conscience toward the environment and the development of a support network;

- Identification of opportunities, creation of programs, activities and highly attractive routes;
- Innovative eco-tourism concepts;
Design and delivery of tourism interpretation programs;
- Commercialization of tourism packages for small and medium sized operators;
- Suitability of the promotion and marketing efforts;
- Product development and methods of commercialization in the North American markets;
Customer service -increasing the standard of quality of services; and
The generation of management optimization systems for planning.

The Government of Valparaiso Region will facilitate the pertinent means to secure the required financing that will allow achieving the goals, experience transfer and training, which are part of the present accord.

For the purpose of implementing the present accord and to conform to the framework of the Agreement, the Parties agree to designate one representative from each Government who, together with the Agent of Manitoba Trade in Chile, will then be responsible for the proper and efficient execution of the present accord.

The present accord has been drafted in two versions, one in English and the other one in Spanish, both with congruent content and identical validity.

For the Province of Manitoba

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