

## ALTERNATIVE DISPUTE RESOLUTION METHODS

(TC-98-02-35-8)

### EXECUTIVE SUMMARY

**EXECUTING AGENCY:** Confederação de Associações Comerciais do Brasil  
[Brazilian Federation of Trade Associations] (CACB)

**BENEFICIARIES:** The Brazilian Federation of Trade Associations (CACB), the National Council for Mediation and Arbitration Boards (CONIMA), the arbitration and mediation centers (CAMs) operating in Brazil, and the business community

**OBJECTIVES:** The overall objective of the project is to strengthen and consolidate Brazil's alternative methods for commercial dispute resolution at both the national and the regional levels, thereby improving the efficiency of Brazil's dispute resolution mechanisms and reducing the backlog in the court system. Its specific objectives are to: (a) strengthen participating CAMs by consolidating their technical and institutional organization so that they are able to provide their services with greater efficiency and effectiveness; (b) train arbitrators, mediators and operations personnel of participating CAMs, providing them with the technical and administrative skills required by their institutions; and (c) publicize the importance and benefits of alternative dispute resolution methods in order to ensure the gradual adoption of these mechanisms by the private sector.

<b>FINANCING:</b>	Terms and conditions:	Grant:
	CACB:	US\$1,051,080
	CAMs:	US\$ 689,880
	MIF - Window I:	<u>US\$1,599,400</u>
	Total:	US\$3,340,360

<b>IMPLEMENTATION</b>	Execution period:	48 months
<b>SCHEDULE:</b>	Disbursement period:	54 months

**SPECIAL CONDITIONS:** The first disbursement under the program is conditional upon the executing agency's submission to the Bank of: (a) proof that the project execution unit has been duly constituted and its members appointed; (b) an annual work plan for the first year of the project, with breakdown by component; (c) proof that the Coordination and Oversight Committee (CCC) has been duly established; and

(d) evidence that the operating regulations governing the duties and obligations of all participants in the program have been drawn up and have entered into force (paragraph 3.20).

## I. COUNTRY AND PROJECT ELIGIBILITY

- 1.1 The Donors Committee declared Brazil eligible for all types of financing under the Multilateral Investment Fund (MIF) on February 9, 1995. The proposed program is consistent with other alternative dispute resolution programs being financed by the MIF in the region, and also with the MIF's goal of supporting expansion of the private sector.

## II. BACKGROUND

- 2.1 Brazil's court system is slowed by lengthy delays, cumbersome procedures and a backlog of cases which make it difficult to provide services in an efficient and timely manner. This despite enormous effort on the part of the government to pass new legal codes designed to improve the efficiency of the system.
- 2.2 After 10 years of work, in 1996 the National Congress enacted Law No. 307 (the Arbitration Act), in whose preparation the very latest international instruments were employed. Among other things, this law: (a) recognizes the arbitration agreement as a fully valid meeting of minds by means of which parties agree to submit their differences to an arbitral tribunal; and (b) grants arbitral awards the status of consent orders.
- 2.3 Following enactment of this law, civil society organizations have been very actively promoting the adoption of mediation and arbitration mechanisms in Brazil. Various national and international seminars have been held on this topic, and a number of arbitration and mediation centers (CAMs) have been created, some operating independently and others associated with specific business federations or trade associations. The centers have been: (a) raising awareness about mediation and arbitration in various social and economic sectors; and (b) promoting their services as mediators of commercial disputes, although in practice they have had little experience to date.
- 2.4 The organizational, technical and administrative skills needed to satisfy the potential demand for alternative dispute resolution (ADR) methods in Brazil are inadequate at present inasmuch as existing CAMs do not possess the management tools or know-how required to mount effective and efficient services. Nor do they have suitable training and promotional programs with clearly defined national and/or regional objectives. Particularly evident is their lack of medium- and long-term goals and strategies, as well as the absence of coordination among centers in setting common objectives. The government and the institutions involved in this field recognize the need to upgrade their technical and institutional capacity so that they might begin to build consensus

in the planning, composition and establishment of the portfolio of services to be offered by the CAMs.

- 2.5 As a first step toward consolidating and standardizing the ADR system, 18 of Brazil's existing mediation and arbitration institutions were brought together to form the National Council for Mediation and Arbitration Boards (CONIMA) in late 1997. CONIMA, a non-profit civil society organization which is still in the initial phase of establishment and operation, was thus created as a forum for discussion, coordination and promotion of arbitration and mediation in Brazil.
- 2.6 The main objectives of CONIMA are to: (a) monitor the performance of mediation and arbitration bodies, seeking to maintain the high quality and ethical standards which are essential for carrying out their activities; (b) provide incentives for the creation of new mediation and arbitration institutions, as well as support for existing ones; and (c) promote and disseminate information on the responsible use of ADR methods in the country.
- 2.7 Among the many organizations in the corporate sector that have worked hard to encourage the ADR system in Brazil, one of the most important has been the Brazilian Federation of Trade Associations (CACB). The CACB has participated in efforts to promote the arbitration and mediation centers operated by its affiliated trade associations at the national level, and has closely monitored the new Arbitration Act. At the same time, it has joined the Inter-American Commercial Arbitration Commission (IACAC) as the National Committee for Brazil.
- 2.8 The analysis of the situation concluded that the various ADR initiatives in Brazil were undertaken in an unplanned and inconsistent manner, and that there is thus a need to consolidate and standardize the system, make greater efforts to promote these initiatives, and generate technical and administrative capacity commensurate with the country's size, scale of operations and available resources. In addition, since CONIMA lacks the resources to carry out a program of consolidation, standardization and promotion of Brazil's ADR system, there is need for a system (forms and means) that will guarantee regional and national coordination, and strengthen the centers currently in operation, providing a model for anyone wishing to engage in dispute settlement activities or to become part of the country's arbitration and mediation system.

### III. THE PROJECT

#### A. Objectives of the technical cooperation

- 3.1 The overall objective of the project is to help strengthen and consolidate Brazil's alternative methods for commercial dispute resolution at both the national and the regional levels, thereby improving the efficiency of Brazil's dispute settlement mechanisms and reducing the backlog in the court system.
- 3.2 The specific objectives of the project are to: (a) strengthen participating CAMs by consolidating their technical and institutional organization so that they are able to provide their services with greater efficiency and effectiveness; (b) train arbitrators, mediators and operations personnel of participating CAMs, providing them with the technical and administrative skills required by their institutions; and (c) publicize the importance and benefits of ADR methods in order to ensure the gradual adoption of these mechanisms by the private sector.

#### B. Components and activities

1. Strengthening and consolidating the technical and administrative capacity of the CAMs (US\$557,000)
- 3.3 The objective under this component is to strengthen the operating and technical capacity of arbitration and mediation centers (CAMs) participating in the program, so that they are able to provide appropriate dispute settlement services using out-of-court procedures.
- 3.4 This component will consist of the following activities:  
(a) conduct a diagnostic study on the markets and services offered in order to identify institutions presently active in the field (including those not belonging to CONIMA), their areas of influence, areas of specialization, current and potential clientele, awareness of ADR methods among various segments of the population, etc., to provide input for planning the strategies for use in the training and promotional components of the program;  
(b) prepare the methodology for determining average variable and fixed costs under model CAMs in Brazil, if possible with a breakdown by area of specialization, in order to draw up pricing guidelines which will permit CAMs to establish rates that cover the real costs of their services; (c) devise a strategy to enable CAMs to guarantee quality of service provided to their clients, based on a series of operating requirements and responsibilities;  
(d) conduct a study on the organization and methods used in 80% of the participating CAMs to determine the levels of efficiency and effectiveness with which they are operating and make recommendations concerning minimum required infrastructure and

resources for maintaining quality in their operations and services; and (e) provide operational and management training for CAMs personnel designed to teach the skills necessary for proper management of the centers, aimed specifically at honing business administration skills, technical management and handling of legal issues involved in the arbitration and mediation of commercial disputes, evaluation and oversight of the services provided by CAMs, and appropriate employment of ADR methods.

- 3.5 To facilitate implementation of the activities described above, the CAMs will be provided with computer software for use in setting their goals and objectives and identifying the principal challenges in carrying out their operations. The software program used will also help them determine the resources needed and costs involved in providing arbitration services, and to set the rates to be charged for such services.

2. National training program through a network of specialists  
(US\$554,000)

- 3.6 The purpose of this component is to provide current and future arbitrators and mediators from CAMs participating in the program with the technical and administrative training necessary to improve their services.
- 3.7 This component will involve setting up and providing professional training for a national network of instructors specializing in arbitration and mediation techniques, who will in turn be used by the program to train arbitrators and mediators for service with CAMs throughout the country. A representative sampling of specialists to make up the national roster of ADR instructors will be selected in a manner to ensure that the different regions of Brazil are represented equally, taking into account the availability of professionals and demand for services in each area as revealed in the market study carried out under component 1 of the program.
- 3.8 The program will maintain a roster of at least 180 instructors. As a compulsory part of the program, each of the instructors will be required to attend refresher courses in three subject: mediation, arbitration and teaching methods, with emphasis on techniques for resolving disagreements through ADR methods.
- 3.9 In order to meet the objective of reaching all areas of the country where there is demand for the training of arbitrators and mediator, a means of affiliation of instructors who receive training under the project will be developed, establishing minimum activity levels and specifying the commitments undertaken by each instructor who agrees to join the program as a member of the national network of instructors. In principle, each of these instructors will undertake to teach two courses on arbitration and mediation

(minimum of 30 hours per course) for the CAMs that request training under the program.

3. Developing an ADR culture (US\$196,400)

- 3.10 The primary objective of this component is to generate sufficient demand over the short- to medium-term so as to permit greater and more effective use of alternative methods for the settlement of commercial disputes and of the installed capacity of CAMs participating in the program.
- 3.11 The main activities under this component will be the following:  
(a) develop a promotional strategy for achieving greater awareness of arbitration and mediation services and their benefits;  
(b) design an information package on available arbitration and mediation services for dissemination and presentation in academic and business venues, trade fairs, judicial gatherings and other local, regional and/or national events, underscoring the value of these instruments for resolving conflicts; (c) design and establish a permanent information center and electronic library in the project execution unit (see paragraph 3.14) to provide information on the services of all of the CAMs, as well as background data on ADR systems in Brazil and elsewhere; (d) design and implement a program for identification, recruitment and selection of program information officers; and (e) institute a program of weekly visits to different localities and regions where promotional and awareness-raising activities are required according to the marketing studies carried out under component 1.

C. Cost and financing

- 3.12 The total estimated cost of the project is US\$3,340,360, of which the MIF will contribute US\$1,599,400 as a grant. The Brazilian Federation of Trade Associations and the participating CAMs will contribute local counterpart funding in the amounts of US\$1,051,080 and US\$689,880, respectively. The CAMs will provide the latter counterpart funds from their own budgets.
- 3.13 Following in summary form is the estimated budget for the program, the itemized version of which is available in the technical files.

Estimated Budget (in US\$ thousands)				
Component	MIF <sup>1/</sup>	CACB	CAMs <sup>*</sup>	Total
I. Strengthening of ADR system	557,000	20,000	17,280	594,280
II. Training	554,000	80,000	375,000	1,009,000
III. Developing an ADR culture	196,400	89,480		285,880
Administration of the program	120,000	766,600	237,600	1,124,200
Subtotal	1,427,400	956,080	629,880	3,013,360
Evaluations	30,000			30,000
Contingencies	142,000	95,000	60,000	297,000
Total	1,599,400	1,051,080	689,880	3,340,360

\* Assuming participation by 18 member CAMs of CONIMA. In order to participate in the program, CAMs must belong to the private sector, be legally constituted and have a governing body, rosters of arbitrators and mediators, a secretary (at least part-time), and an established office with the basic infrastructure necessary for operations.

<sup>1/</sup> The MIF contribution will be used to cover the cost of consulting services and US\$60,000 in hardware and software under component 1.

D. Organization and execution

1. Project executing unit (PEU)

- 3.14 To carry out the program, a project executing unit (PEU) will be created in the Brazilian Federation of Trade Associations (CACB), which is the executing agency with final responsibility for this operation. The PEU will be directly responsible for operations and administrative-financial aspects of the project. It will be made up of: (i) the general coordinator of the program, who will head the PEU; (ii) the coordinator of training and information programs; and (iii) the accounts administrator for the program and the group of counterpart administrative and technical staff. The PEU will also have the support of the consulting firms and individual consultants hired with program resources.
- 3.15 The general coordinator will be responsible for daily operations in accordance with the work plans and for coordinating activities with the CAMs participating in the program. Individual consultants, consulting firms and counterpart support personnel will report directly to the general coordinator, who will report to the President of the CACB, and will serve as secretary to the Coordination and Oversight Committee (see paragraph 3.17).



## 2. Advisory body

- 3.16 CONIMA will act as the program's advisory body on technical matters, and will provide advisory services directly to the PEU. Through its board of directors, CONIMA will be responsible for drafting terms of reference for the program's consultants, making a preliminary selection of consultants and consulting firms (for which it must follow the Bank's procedures), and reviewing and monitoring each component of the program. It will also ensure that all technical reports submitted to the Coordination and Oversight Committee through the general coordinator meet the quality and format requirements.

## 3. Coordination and Oversight Committee (CCC)

- 3.17 This committee, which must be capable of providing coordination, advisory and supervisory services, will be responsible for issuing directives to the PEU for appropriate execution of the program. The CCC will be organized as follows: (a) permanent members: four representatives from CONIMA, with their respective alternates; four representatives from the executing agency, with their alternates; and the national coordinator who will act as secretary for the CCC but will not enjoy a vote; the CCC will also have a chairman who will be elected for a one-year term of office (rotating between CACB and CONIMA), and who shall cast the deciding vote in the event of a tie; and (b) functions: policy-making and program supervision; final approval of the organization and design of detailed work plans and schedules, including guidelines and recommendations for consulting firms and individual consultants; coordination and implementation of major technical and administrative decision-making for the operation; receiving reports of any difficulties affecting achievement of the proposed goals, and recommending specific measures to aid coordination of program activities. The CCC will meet monthly.
- 3.18 Program administration will be financed primarily from local counterpart funding, and will include expenditures relating to general coordination, accounting administration, secretarial help, independent audits and general operating costs. MIF resources for program administration will be limited to travel and per diem expenses for members of the CCC to attend monthly meetings of that committee.
- 3.19 This technical cooperation project will be carried out over a period of 48 months, with a disbursement period of 54 months, in accordance with the procedures established by the Bank.

## E. Disbursements

- 3.20 The first disbursement under the program is conditional upon the executing agency's submission to the Bank of: (a) proof that the project execution unit has been duly constituted and its members

appointed; (b) an annual work plan for the first year of the project, with breakdown by component; (c) proof that the Coordination and Oversight Committee (CCC) has been established; and (d) evidence that the operating regulations governing the duties and obligations of all participants in the program have been drawn up and have entered into force.

3.21 Since the executing agency has already met the majority of conditions precedent, disbursements are expected to commence once the respective loan contract has been signed.

3.22 Given the nature of the operation, it was deemed advisable to establish a revolving fund of up to 10% of the MIF contribution, so that the program resources can be disbursed swiftly. Procurement of goods and services and external auditing of the program will be carried out following the Bank's procedures, including the requirement that suppliers be from countries eligible under the MIF.

F. Evaluation and monitoring

3.23 In order to ensure proper monitoring and evaluation, the program will include:

a. Annual reports

3.24 Within the first 30 days following the close of each year, the executing agency will submit to the Bank a summary of the activities carried out during the year, which must include information on the activities themselves and the degree to which the objectives of the operation have been achieved, according to the goals and indicators set forth in the Logical Framework attached as Annex I. The report will provide information on the difficulties encountered and how they were resolved, together with a projection of activities to be carried out in the following year.

b. Mid-term evaluation

3.25 At the end of the second year of the program, the executing agency and the Bank will conduct an evaluation of the progress achieved in carrying out the program's activities. At that time as well, the executing agency in cooperation with the Bank's experts assigned to the program, will set the basic guidelines for the ex post evaluation. The evaluation process will be based on the overall and specific objectives of the program, and the indicators set out in the Logical Framework (see Annex I). The results of this evaluation will be used to determine whether any changes need to be made in the program in order to ensure that its objectives are achieved.

c. Ex post evaluation

- 3.26 Given the nature of the program, it is deemed necessary to conduct an ex post evaluation of the program and its results. Consequently, one year after project completion, the CACB and the Bank will carry out an independent ex post evaluation to assess its impact. To this end, the CACB, CONIMA and the Bank will hire external consulting services. The respective units of the Bank will participate in the development of the methods to be used in this independent evaluation, as well as in drawing up the terms of reference for the consultants and in the selection of the latter by the executing agency.

G. Feasibility and risks

- 3.27 The political will shown by Brazil's Congress in adopting policies and actions to strengthen the ADR system has consolidated the regulatory framework needed for successful execution of the program. In addition, active participation by such groups as the National Council for Mediation and Arbitration Boards and the Brazilian Federation of Trade Associations, as well as existing arbitration and mediation centers, will ensure widespread coverage and distribution of the program's benefits. Moreover, the experience, technical capacity and prestige of the Brazilian Federation of Trade Associations will guarantee the participation of a number of its trade association affiliates around the country and their respective CAMs.
- 3.28 The potential market for the use of ADR methods in Brazil is very large, given the size of the country's business community and its outspoken criticism of delays in the court system. Yet Brazil's business sector does not often make use of these methods at present. The project intends to take on this lack of demand for ADR mechanisms by: analyzing the reasons for it and formulating strategies for creating such demand; educating the business and legal community concerning the usefulness of such mechanisms; and providing existing CAMs with the tools and skills necessary for analyzing their markets and offering high-quality services. Some of the reluctance to use ADR methods may be attributable to the fact that the Arbitration Act is relatively new (1996), while the establishment of the first CAMs is even more recent. It takes some time for the business community to learn about how a new law operates and how the courts are going to handle it. For example, the Supreme Court is currently hearing an appeal in a case which deals with whether international arbitration requires ratification by the courts under the new law, and if so, how such ratification should be granted. Although the final decision of the Court is not yet known, it is expected to uphold the validity of contractual clauses requiring arbitration, since the parties freely agree to seek an arbitration award when they sign the respective contracts. There is of course a risk that the Court's final decision may make enforcement of arbitral awards more difficult, but it is far more

likely that the ruling in this case will result in greater acceptance of and familiarity with arbitration within the business community. However, even if the Court rules against the validity of such contractual clauses, the Bank's support for ADR methods in Brazil will be instrumental, since ADR is becoming increasingly widespread in the region as an efficient, effective means of resolving commercial disputes.

H. Environmental and social impact

- 3.29 The program was reviewed by the Committee on Environment and Social Impact (CESI) at its meeting on October 19, 1998, and no recommendations were issued at that time.

**LOGICAL FRAMEWORK**  
**PROGRAM FOR STRENGTHENING ALTERNATIVE DISPUTE RESOLUTION METHODS – BRAZIL**

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
out-of-court conflict resolution ment of commercial disputes, to reduce the backlog in the d establish a climate ivate investment.	Consolidation of an organized system for commercial dispute resolution that will help to increase the number and quality of cases referred to and settled by arbitration and mediation centers.	Surveys to be carried out by the Brazilian Federation of Trade Associations and participating CAMs six months after project completion for the purpose of determining the level of satisfaction of ADR operators and clients.	
f the institutional capacity and bitration and mediation members of CONIMA, and ne ADR system in Brazil.	<p>1. Increase in the number of cases settled by project completion.</p> <ul style="list-style-type: none"> <li>• 720 contracts signed with clauses requiring that in the event a dispute arises during performance of the contract, the services of the CAMs will be called upon.</li> <li>• 360 cases resolved by program completion, a settlement having been reached within 120 days following submission, and with the parties expressing satisfaction with the services rendered at levels greater than "Good".</li> </ul>	<ul style="list-style-type: none"> <li>• Correspondence from businessmen or their attorneys.</li> <li>• Case records</li> <li>• Independent evaluations</li> </ul>	Expression of interest and support fr Brazilian businessmen.

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<p><b>strengthening</b></p> <p>organizational and technical arbitration and mediation</p>	<ul style="list-style-type: none"> <li>• Preparation of a study on existing and potential arbitration and mediation centers to identify their locations, the services they offer, areas of specialization, areas of influence and organizational structures.</li> <li>• Marketing study of current and potential markets.</li> <li>• Analysis of average variable and fixed costs for model CAMs providing mediation and arbitration services in Brazil.</li> <li>• Development of a strategy for establishing quality guarantees for CAMs providing arbitration and mediation services.</li> <li>• Institutional training for the directors and personnel of the CAMs in improving the administration and management of the centers, including advise on the design of administrative procedures and processes, and technical and legal management of the CAMs by month 18.</li> </ul>	<ul style="list-style-type: none"> <li>• Study carried out by month three.</li> <li>• Consulting contract.</li> <li>• Training and marketing plans reviewed by month eight.</li> <li>• Study carried out by month six.</li> <li>• Consulting contract.</li> <li>• Training and promotional plans reviewed by month eight.</li> <li>• Consulting contract.</li> <li>• Preparation of methodology for determining variable and fixed costs by month nine.</li> <li>• Pricing systems reviewed and implemented by participating CAMs by month 12.</li> <li>• Contracts with consultants.</li> <li>• Strategy for guaranteeing quality control designed by month 18 from the start of the program and implemented by all participating CAMs by month 30.</li> <li>• Contracts with consultants.</li> <li>• Directors and personnel of all participating CAMs receive training by month 18.</li> </ul>	<ul style="list-style-type: none"> <li>• The Brazilian Federation of Trade Associations, CONIMA and CAM supporting the project.</li> <li>• Timely and reliable information of the CAMs.</li> <li>• Proper selection of target groups.</li> <li>• Survey form with sufficient information to identify the positioning of arbitration and mediation in the country.</li> </ul>

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
	<ul style="list-style-type: none"> <li>Design and implementation of a long-term policy for the operation and provision of arbitration and mediation services to direct and serve as a guide for existing CAMs and those that wish to begin offering ADR services in Brazil.</li> </ul>	<ul style="list-style-type: none"> <li>Policy designed and implemented by month 24.</li> </ul>	
<p>ors and mediators of CAMs with training that will develop the skills needed to y as neutral parties in utes.</p>	<ul style="list-style-type: none"> <li>Three intensive 30-hour refresher courses in arbitration, by month 36; 180 instructors receive training in arbitration.</li> <li>Three intensive 30-hour refresher courses in mediation techniques, by month 36; 180 instructors receive training in mediation.</li> <li>Three intensive refresher courses in teaching methods for 180 instructors trained in arbitration and mediation, by month 24.</li> <li>Instructors who received training teach 360 training courses in arbitration and mediation, by month 36.</li> </ul>	<ul style="list-style-type: none"> <li>Attendance reports and trainer reports on the refresher courses given, and reports based on the evaluation sheets filled out by instructors who receive training.</li> <li>Attendance reports and trainer reports on the refresher courses given, and reports based on the evaluation sheets filled out by instructors who receive training.</li> <li>Attendance reports and trainer reports on the refresher courses given, and reports based on the evaluation sheets filled out by instructors who receive training.</li> <li>Attendance reports and trainer reports on the arbitration and mediation courses given, and reports based on the evaluation sheets filled out by participants.</li> </ul>	<ul style="list-style-type: none"> <li>Businessmen and professionals in using the services of the CAM settlement of disputes.</li> </ul>

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<p><b>an ADR culture</b></p> <p>ve demand for the services of  ing the centers to meet their  eventually to become self-  their operations.</p>	<ul style="list-style-type: none"> <li>• Implement the strategy for dissemination of ADR methods and the services rendered by CAMs participating in the program among professionals, enterprises, attorneys, judges, beginning by month six and continuing throughout the life of the program.</li> <li>• Promotional material prepared and distributed in accordance with the campaign under way.</li> <li>• Forty agreements signed by each CAM with enterprises, associations or law firms for the use of their dispute settlement services and the inclusion of arbitration clauses, by the program completion.</li> <li>• Twenty actual dispute settlement cases handled through arbitration or mediation, for each of the CAMs participating in the program.</li> </ul>	<ul style="list-style-type: none"> <li>• Posters, press clippings, summaries of events.</li> <li>• Letters of intent or agreements signed with enterprises.</li> <li>• Case records.</li> </ul>	<ul style="list-style-type: none"> <li>• Information strategy properly des  implemented to allay the real co  the business and professional  communities.</li> </ul>



**PROPOSED RESOLUTION**

**BRASIL. NON REIMBURSABLE TECHNICAL COOPERATION PROGRAM  
FOR THE STRENGTHENING OF ALTERNATIVE METHODS  
FOR THE SETTLEMENT OF COMMERCIAL DISPUTES**

The Donors Committee of the Multilateral Investment Fund

**RESOLVES:**

1. That the President of the Inter-American Development Bank, or such representative as he shall designate, is authorized, on behalf of the Multilateral Investment Fund, to enter into such agreements as may be necessary with the Confederação de Associações Comerciais do Brasil (CACB) and to adopt such other measures as may be pertinent for the execution of the plan of operations incorporated in the donors memorandum referred to in Document MIF/AT-\_\_\_\_\_ with respect to a technical cooperation, the purpose of which is the strengthening of alternative methods for the settlement of commercial disputes.
2. That up to the amount of US\$1,599,400 is authorized for the purpose of this resolution, chargeable to the Technical Cooperation Facility of the Multilateral Investment Fund.
3. That the above mentioned sum is to be provided on a non-reimbursable basis.