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ATTORNEY GENERAL SIGNS ANTITRUST COOPERATION AGREEMENT WITH BRAZIL

WASHINGTON, D.C. -- Attorney General Janet Reno today signed an antitrust cooperation agreement with Brazil, which will enable the antitrust agencies in the two countries to improve their law enforcement relationship with each other. The agreement, which also was signed by Federal Trade Commission Chairman Robert Pitofsky and Brazil Minister of Justice José Carlos Dias, becomes effective after approval by the Brazilian National Congress.

Brazil is the world's eighth largest economy, with a gross domestic product of over \$750 billion in 1998. In addition, Brazil is the United States's third largest export market in the Western Hemisphere, after Canada and Mexico.

"This new agreement is a significant step in developing a close relationship between the antitrust agencies of the United States and Brazil," said Attorney General Janet Reno. "It is an important tool that will be used to protect consumers in both countries."

The new agreement contains provisions for enforcement cooperation and coordination, notification about enforcement actions that may affect the other country, conflict avoidance and consultations with respect to enforcement actions, and effective confidentiality protections.

"Together, these provisions provide a sound basis for enhanced cooperation, while minimizing possible conflicts between the two nations' antitrust enforcement activities," said Joel I. Klein, Assistant Attorney General in charge of the Antitrust Division. "We look forward

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to working more closely with our Brazilian colleagues at a time when sound antitrust enforcement is a high priority in both the United States and Brazil.”

Highlights of the new agreement include:

- The Parties acknowledge that it is in their mutual interest to cooperate in antitrust enforcement generally. In cooperative efforts, the parties agree to exchange antitrust-related information, consistent with existing confidentiality constraints;
- In a “positive comity” provision, each party agrees to give serious consideration to requests by the other party to take appropriate antitrust enforcement action against illegal conduct within its jurisdiction that injures the requesting party’s important interests;
- Each party will notify the other of specified antitrust enforcement activities that affect the other Party. In order to minimize possible conflicts arising out of antitrust enforcement actions, the parties agree to give careful consideration to one another’s important interests. The parties also will consult with each other upon request about matters covered by the agreement; and
- Each party will agree to maintain the confidentiality of sensitive information provided by the other party.

Klein noted, “We have enjoyed working with Gesner Oliveira, president of the Brazilian Conselho Administrativo de Defesa Economica (CADE), and other Brazilian antitrust officials. We have been very impressed with their dedication and professionalism, and we look forward to an enhanced and mutually beneficial relationship in the future.”

The agreement, once effective, will not change existing law in either country and is not a comprehensive antitrust mutual legal assistance agreement authorized by the International Antitrust Enforcement Assistance Act of 1994.

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