Draft

**MEMORANDUM**

**of cooperation on trade and economic issues between the Eurasian Economic Commission (EEC) and the Southern Common Market (MERCOSUR)**

The Eurasian Economic Commission (the Commission) as the permanent regulatory body of the Eurasian Economic Union (the Union) and the Southern Common Market (MERCOSUR) hereinafter referred to as “the Participants”,

Wishing to strengthen the friendship and ties of cooperation on trade and economic issues between the Union and MERCOSUR,

Recognizing their aspiration to cooperate in order to strengthen regional economic interaction and to facilitate the enhancement of internal integration processes,

Realizing the importance of establishing a mechanism for development of trade and economic cooperation,

Reaffirming their commitment to norms and principles of international law,

Highlighting that regional integration is an instrument for economic and social development as well as a mean to promote closer relations between peoples and contribute to greater international stability,

Mindful of the importance of creating conditions that foster cooperation and collaboration for the promotion and development of trade between the Union and MERCOSUR that contributes to economic growth and social inclusion,

Supporting the aspiration of the Participants to develop and strengthen the multilateral trading system and promoting prompt accession of applicant countries to the World Trade Organization,

Have reached the following understanding:

1. The goals of the Memorandum will be to strengthen cooperation in areas related to trade and economic matters and to promote the expansion and diversification of trade between the Union and MERCOSUR in accordance with competences of the Participants.
2. To achieve the goals referred to in p.1 of the Memorandum the Participants may cooperate within their respective competences in the following fields:

trade, including trade facilitation;

customs administration;

technical regulation, standards and conformity assessment procedures;

sanitary and phytosanitary measures;

statistics of foreign trade;

other spheres of mutual interest, including investment promotion, macroeconomic policy, energy, transport and shipments and industrial and agricultural cooperation.

 The Participants will cooperate in the fields of their competence. Where the subject of cooperation falls under the competence of the Member States the Union and/or the Member States of MERSOCUR it shall be addressed by those Member States.

3. In order to fulfil the goals of this Memorandum, the Participants may:

facilitate interaction between academic organizations, unions and business associations on the issues that are the subject of cooperation under the provisions of this Memorandum inter alia through arrangement of conferences, joint educational and practical seminars, consultations,
round-table discussions and other activities;

promote the organization of events and promotion activities to foster trade and economic cooperation;

promote the exchange of visits of business people of the Union and MERCOSUR aiming at strengthening their existing economic relations;

exchange information on the experiences of Participants on their regional integration processes, with emphasis on the challenges faced and the means used to overcome them;

encourage economic cooperation and trade facilitation by exchanging information on macroeconomic indicators, sanitary and phytosanitary measures, rules of origin, tariff and non-tariff measures, customs matters, technical regulations, standards and conformity assessment procedures, safeguards, anti-dumping and countervailing measures, special customs regimes, competition policy, among other matters;

undertake cooperation in SPS matters, taking into account the provisions of the Agreement on the Application of Sanitary and Phytosanitary Measures (SPS Agreement) of the World Trade Organization and the international standards, guidelines or recommendations developed by the relevant international organizations;

exchange information and experience in the field of customs administration, according to the Participants’ laws and common rules.

Nothing in this Memorandum shall be interpreted as obliging Participants to exchange confidential information.

1. In order to coordinate the cooperation under this Memorandum the Participants hereby establish a Joint Committee on Trade and Economic Cooperation (hereinafter referred to as “the Committee”) comprised of representatives of the Eurasian Economic Commission, the Member States of the Union and the Member States of MERCOSUR.

For the purposes of fulfilling the objectives of this Memorandum, the Committee may establish Working Groups that will convene as appropriate upon its request. The Committee may designate the specific duties and functions of such Working Groups and said groups will submit their reports and recommendations to the Committee.

Organizational and technical maintenance of activity of the Committee and the working groups established in accordance with this Memorandum is carried out by the host party.

Participation of representatives of the state authorities of the Union Member States and MERCOSUR States Parties, of the Eurasian Economic Commission and MERCOSUR bodies in the work of the Committee and the working groups established in accordance with this Memorandum is funded by delegating parties.

5. The Committee will serve as the forum to:

discuss any measures deemed appropriate to achieve the objectives set out in paragraph 1 of this Memorandum;

monitor the application of this Memorandum;

analyze trade and economic cooperation between the Union and MERCOSUR, identify means and opportunities to expand and diversify their trade relations, including with a view to exploring possible trade negotiations, and seek solutions to barriers to reciprocal trade;

address any matter related to trade and economic cooperation that may arise and that fall under the competences of the Participants;

6. The Committee will meet on regular basis. As a result of its meetings, the Committee will elaborate an Aide Memoire and, if necessary, adopt recommendations for further enhancing cooperation and fostering the economic relations between the Union and MERKOSUR.

7. The information exchanged under this Memorandum shall be in the English language.

8. This memorandum is not an international agreement, it does not create legal and financial commitments for the Participants.

9. This Memorandum shall apply from the date of its signature.

10. Any Participant may terminate this Memorandum by sending to the other Participant a written notification. The Memorandum shall cease as from the date of receipt of such notification.

Signed in the city of \_\_\_\_\_\_\_on “ ” \_\_\_\_\_\_ 2018 in two original copies each in the English language.

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|  **For the Eurasian Economic Commission** | **For the Argentine Republic** **For the Federative Republic of Brazil****For the Republic of Paraguay** **For the Oriental Republic of Uruguay** |