

**Framework Agreement on Economic  
Cooperation**

**Between**

**The Member States of the Cooperation  
Council for the Arab States of the Gulf, and**

**The Member States of  
MERCOSUR**

**The United Arab Emirates, the Kingdom of Bahrain, the Kingdom of Saudi Arabia, the Sultanate of Oman, the State of Qatar and the State of Kuwait, parties to the Charter of the Cooperation Council for the Arab States of the Gulf, hereinafter referred to as "GCC States" on one hand, and**

**The Argentine Republic, the Federative Republic of Brazil, the Republic of Paraguay, and the Republica Oriental del Uruguay, Member States of the MERCOSUR, hereinafter referred to as "MERCOSUR", on the other**

Hereinafter referred to as "the Contracting Parties"

**Considering** the importance of the friendship already existing between them,

**Desiring** to enhance and develop the economic cooperation between them on the basis of equality and mutual interest, and

**Taking** into consideration the laws and regulations in force in their countries,

Have concluded the following Framework Agreement:

### **Article I**

The contracting parties shall promote economic, commercial, technical and investment cooperation between them, and encourage the exchange of information and technical expertise in those fields.

### **Article II**

The Contracting Parties shall consider means and tools for expanding and liberalizing their trade relations, including the negotiation of a trade agreement, with the objective of concluding a free trade agreement between them, taking into account their international obligations and the provisions of the World Trade Organization.

### **Article III**

The Contracting Parties shall seek to provide a climate favorable for furthering trade exchange between them through:

- Enhancing the exchange of information on foreign trade
- Removing tariff and non-tariff barriers
- Encouraging business relations particularly between the institutions and organizations concerned with foreign trade
- Giving attention to training and technology transfer

### **Article IV**

The Contracting Parties shall make appropriate arrangements for encouraging capital flows between them, setting up joint investment projects and facilitating

corporate investments in the various fields of economy, trade, agriculture and industry.

### **Article V**

The Contracting Parties shall encourage exchanging visits of representatives, delegations and economic, technical and trade promotion missions between them, and organizing temporary exhibitions and provide necessary facilities and assistance to this end.

### **Article VI**

A Joint Committee for economic, commercial, technical, and investment cooperation shall be established under this Agreement. This Committee shall convene alternatively in GCC Member States and MERCOSUR Member States on a regular basis or when necessary; level of participation to be specified in time. Functions of the Committee shall be as follows:

- Following up implementation of the provisions of this Agreement and other agreements or protocols concluded between the Contracting Parties under this Agreement, including criteria for the negotiation of a free trade area between the Contracting Parties.
- Addressing any difficulties or disputes that might arise from the interpretation or implementation of the provisions of this Agreement.
- Adopting recommendations for enhancing cooperation between the Contracting Parties, and fostering their economic relations and increasing the volume of trade between them.
- The Committee shall be authorized to set up any subcommittees or specialized working teams, at its discretion and when deemed necessary. The Committee shall designate the duties and functions of such subcommittees and working teams, provided that said subcommittees and working teams shall submit their reports and recommendations to the Joint Committee.

### **Article VII**

Without prejudice to the provisions of the GCC Charter and those of the GCC Economic Agreement, this Agreement and any measures taken hereunder, shall in no way affect the authority of GCC Member States to individually undertake bilateral activities with MERCOSUR in the fields covered by this Agreement or conclude bilateral agreements with MERCOSUR.

### **Article VIII**

The provisions of this Agreement may be amended with mutual consent of the Contracting Parties.

### Article IX

Each party shall notify the other party in writing of the finalization of the necessary legal procedures. This Agreement shall enter into force from the date of the latest notification received. This Agreement shall remain valid unless either Contracting Party notifies the other Contracting Party in writing, at least six months prior to termination date, of his intention to terminate the Agreement. When this Agreement is so terminated, all obligations and commitments deriving from any activities or programs undertaken under the provisions of this Agreement shall remain valid, unless otherwise agreed upon by the Contracting Parties.

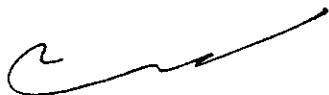
### Article X

For the purposes of Article IX, the Republic of Paraguay shall be the depository of this Agreement for MERCOSUR. The Republic of Paraguay shall notify the other Member States of MERCOSUR of the date on which this Agreement shall enter into force.

### Article XI

Done in Brasilia, Federative Republic of Brazil, on May 10<sup>th</sup>, 2005, in two copies, in the Arabic, Spanish, Portuguese, and English languages, all four texts being equally authentic. Where discrepancy occurs the English text shall prevail.

For and on behalf of the Governments  
of the Member States of the  
Cooperation Council for the Arab  
States of the Gulf



Muhamed ibn Mubarak  
Al-Khalifa  
Deputy Prime Minister  
Minister of Foreign Affairs  
Kingdom of Bahrain  
Current President of the  
Ministerial Council of the GCC

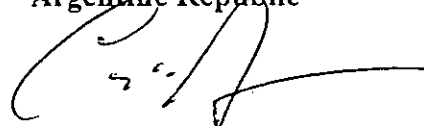


Abdul Rahman Hamad Al-Attayah  
Secretary-General  
Cooperation Council of the Arab  
States  
Of the Gulf (GCC)

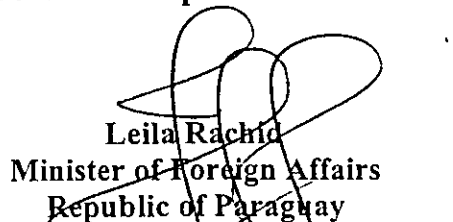
For and on behalf of MERCOSUR



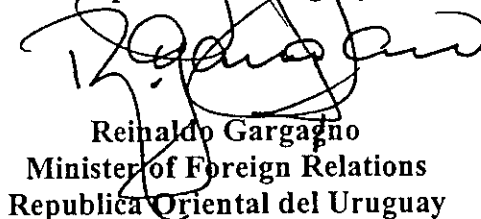
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Minister of Foreign Relations, Trade &  
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