TRADE AND INVESTMENT FRAMEWORK AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE ORIENTAL REPUBLIC OF URUGUAY

The Government of the United States of America and the Government of the Oriental Republic of Uruguay (individually a "Party" and collectively the "Parties"):

Desiring to enhance the bonds of friendship and spirit of cooperation, to expand trade, and to strengthen economic relations between them;

Recognizing the importance of fostering an open and predictable environment for international trade and investment;

Recognizing the benefits they derive from increased international trade and investment, and that trade-distorting measures and protectionist trade barriers can reduce those benefits;

Seeking to promote transparency and to eliminate bribery and corruption in international trade and investment;

Recognizing the essential role of private investment, both domestic and foreign, in furthering growth, creating jobs, expanding trade, improving technology, and enhancing economic development;

Taking into account the desirability of reducing barriers in order to facilitate greater access to their markets;

Recognizing the increased importance of trade in services between their economies and in their bilateral relations;

Recognizing the importance of providing adequate and effective protection and enforcement of intellectual property rights; of membership in intellectual property rights conventions; and of the right to protect public health and, in particular, to promote acess to medicines for all:

Recognizing the importance of providing adequate and effective protection and enforcement of worker rights in accordance with each Party's labor laws and of improving the observance of internationally recognized labor rights;

Desiring to ensure that their trade and environmental policies promote sustainable development;

Desiring to encourage and facilitate contacts between enterprises and other private sector groups in each other's territory;

Acknowledging the desirability of addressing bilateral trade and investment issues as expeditiously as possible;

Acknowledging the importance of the Treaty Between the Government of the United States of America and the Government of the Oriental Republic of Uruguay Concerning the Encouragement and Reciprocal Protection of Investment, which entered into force on November 1, 2006 (the "BIT");

Desiring that this Agreement reinforce the multilateral trading system by strengthening efforts to complete successfully the Doha Development Agenda;

Intending to use this Agreement to pursue initiatives on specific trade and investment matters, with a view to concluding agreements or other arrangements that offer enhanced opportunities for bilateral trade and investment;

Desiring to build on the spirit of cooperation they have developed under the Joint Commission for Trade and Investment (JCTI) since 2002; and

Acknowledging that Uruguay is a full party of MERCOSUR, set up by the Asuncion Treaty, 1991.

HAVE AGREED as follows:

Article One.

The Parties affirm their desire to foster an attractive investment climate in their respective territories and to expand and diversify their bilateral trade in goods and services. To this end, each Party shall take appropriate measures at the bilateral, regional, and multilateral levels to encourage and facilitate the exchange of goods and services and to secure favorable conditions for long-term development and diversification of their trade, including, as appropriate, efforts to advance the objectives of the Doha Development Agenda.

Article Two.

1. The Parties hereby establish a United States-Uruguay Council on Trade and Investment ("the Council"), which shall comprise representatives of each Party. Uruguay's Chief of Staff to the President and the United States Trade Representative shall serve as joint chairs. Each chair may designate a senior official to conduct a meeting of the Joint Council. The chairs or designated senior officials may request the participation of other government officials as circumstances require.

2. The Council shall endeavor to meet at least once a year, at such times and in such places as the Council chairs may agree.

Article Three.

1. The objectives of the Council are as follows:

(a) To monitor trade and investment relations between the Parties, identify opportunities for liberalizing bilateral trade and investment, and identify relevant issues, that may be appropriate for negotiation in an appropriate forum.

(b) To consider specific trade matters, and those investment matters not arising under the BIT, of interest to the Parties, and to undertake the work program set out in the Annex.

(c) To identify and work toward the removal of impediments to bilateral trade and investment.

2. The Parties shall seek the advice of the private sector and civil society, where appropriate, on matters related to the work of the Council.

Article Four.

A Party may refer a specific trade matter, or an investment matter not arising under the BIT, to the Council by delivering a written request to the other Party that includes a description of the matter concerned. The Council shall take up the matter promptly after the request is delivered unless the requesting Party agrees to a later date. Each Party shall endeavor to provide an opportunity for the Council to consider a matter before taking any action that could adversely affect the trade or investment interests of the other Party.

Article Five.

This Agreement shall enter into force on signature.

Article Six.

Either Party may withdraw from this Agreement by providing written notice of withdrawal to the other Party. The withdrawal shall take effect on a date agreed to by the Parties or, if the Parties cannot agree on a date, 180 days after the date on which the notice of withdrawal is delivered.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their respective governments, have signed this Agreement.

DONE at Montevideo, this 25th day of January 2007, in the English and Spanish languages, both texts being equally authentic.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA:

FOR THE GOVERNMENT OF THE ORIENTAL REPUBLIC OF URUGUAY:

ANNEX. WORK PROGRAM

The Council shall consider the following matters:

- facilitation and liberalization of bilateral trade and investment:

Cooperation on our shared objectives in the World Trade Organization Doha Development Agenda negotiations including cooperation in the agricultural negotiations toward a more market oriented world trading system through substantially increased market access, elimination of export subsidies, elimination of restrictions on the right to export, and substantial reductions in trade-distorting domestic support;

- Cooperation in the U.S. - Uruguay Consultative Committee on Agriculture Sanitary and Phytosanitary measures

- technical barriers to trade;

- intellectual property rights

- regulatory issues affecting trade policy and investment;

- information and communications technology and e-commerce;

- trade and technical capacity building;

- trade in services;

- government procurement; and

- such other matters as the Council may decide.