

TRADE AND INVESTMENT COOPERATION ARRANGEMENT

BETWEEN

THE GOVERNMENT OF CANADA AND

THE GOVERNMENT OF THE ANDEAN COMMUNITY

THE GOVERNMENT OF CANADA AND THE GOVERNMENTS OF BOLIVIA, COLOMBIA, ECUADOR, PERU AND VENEZUELA, member countries of the Andean Community, hereinafter called the Parties;

Inspired by the firm desire to strengthen the ties of friendship and cooperation between Canada and the Andean Community;

Determined to cooperatively promote trade and investment, for the greater welfare of their peoples;

Building on their mutual commitment to the World Trade Organization (WTO);

Reaffirming their intention to conclude the negotiation of the Free Trade Area of the Americas no later than 2005;

Noting the importance they attach to strengthening trade relations and to investments in the Western Hemisphere;

Recognizing the importance of promoting a suitable environment for trade and investment between Canada and the Andean Community;

Desiring to ensure that the goals of trade liberalization and the principles of sustainable development are mutually supportive and consistent with World Trade Organization (WTO) and other international obligations;

Recognizing the significance of the promotion the International Labour Organization (ILO) Declaration of Fundamental Principles and Rights at Work to the economic welfare of all parties;

Wishing to foster the engagement of citizens in the process of trade liberalization;

Wishing to explore opportunities to strengthen bilateral and multilateral cooperation in areas of mutual interest, such as health, culture, indigenous communities and the environment;

Have reached the following understanding:

Article I. Objectives

The Parties will seek to:

- a. Intensify and strengthen economic relations between them, in particular, concerning trade in goods and services, investment and technology transfer;
- b. Promote the liberalization of trade and investment by identifying those measures that impede or distort trade and investment flows and by seeking their elimination;
- c. Promote and maintain an environment favourable to the development of trade and investment;
- d. Facilitate the greater participation and involvement of the private sectors of the Parties in strengthening trade and commercial cooperation;
- e. Promote the coordination of their respective positions in negotiations on the Free Trade Area of the Americas;

f. Promote greater coordination in the World Trade Organization; and

g. Promote regular sharing of information on trade and investment opportunities and other promotional initiatives.

Article II. Principles

In carrying out the activities specified in this Arrangement, the Parties reaffirm that the promotion of trade and investment between them will be in conformity with the principles and obligations of the World Trade Organization and in accordance with the principles and objectives underlying the FTAA negotiations as stipulated in the Ministerial Declaration of San Jose and the Declaration of Santiago.

The Parties shall also consider the differences in degree of economic development and the size of their respective economies.

Article III. Consultative Group

1. The Parties establish a trade and investment consultative group, hereinafter called the Consultative Group, consisting of the ministers responsible for international trade or their representatives, in order to ensure compliance with this Arrangement and its objectives, in particular, the implementation of the Action Plan attached hereto. The Consultative Group may periodically modify the Action Plan.

To support their participation, the member countries of the Andean Community may call on the Office of the Secretary General of the Andean Community for assistance.

2. The Consultative Group shall meet periodically, with regular meetings every 18 months. The meetings of the Consultative Group will alternate between members of the Andean Community and Canada or may be held in any other

Agreed-upon location. Special meetings may be called at the request of any of the Parties.

3. The Parties may consult, using their own internal mechanisms, the private sector in their respective countries on matters related to the work of the Consultative Group. The Consultative Group may invite representatives of the private sector of the Parties to express their opinions on subjects of interest to them. The Parties shall notify each other of the participation of private-sector representatives before the meetings of the Consultative Group take place.

4. The Parties may hold consultations on any matter related to trade relations and investments. These consultations shall take place promptly.

Article IV. Expansion of Trade and Investment

1. The Parties shall promote the expansion of trade in goods and services between them, as well as investments, in accordance with the annexed Action Plan.

2. The Parties shall examine all questions set out in the Action Plan influencing economic relations between the Parties, including multilateral and plurilateral questions of common interest arising in appropriate fora.

3. In order to stimulate expansion of trade and investment, the Parties shall promote regular sharing of information on trade and investment opportunities and other promotional initiatives, including, where possible, business contacts, in accordance with the annexed Action Plan.

Article IV. Final Clauses

1. Nothing in this Arrangement affects the respective rights and obligations of either Party to the other Party under Agreements, Conventions or other instruments to which they are both Parties, either individually or collectively.

2. This Arrangement may be amended by the written concurrence of both Parties.

3. This Arrangement shall take effect on signature and shall remain in force unless terminated by mutual consent of the Parties or by either of the Parties on 180 days= written notice to the other Party.

Done in six original copies at Ottawa on this 31 st day of May, 1999, in English,

French and Spanish, the version in each language being equally valid.

ACTION PLAN

1. This Action Plan constitutes an integral part of the Trade and Investment Cooperation Arrangement between the Government of Canada and the Andean Community signed in Ottawa on the 31 st day of May 1999, and comprises the following priorities. This Action Plan will be reviewed periodically and revised, as appropriate, by the Consultative Group.

a. Expansion of trade and strengthening of economic cooperation:

Define options and appropriate actions to promote greater market access for goods and services;

Explore opportunities to review market access under existing tariff programs;

Continue negotiations on Foreign Investment Protection Agreements and Double Taxation Agreements between Canada and the countries of the Andean Community;

Identify opportunities for technical cooperation on customs and taxation;

Consult and, as appropriate, coordinate activities related to the negotiation and implementation of the Free Trade Area of the Americas;

Coordinate, as appropriate, activities related to the World Trade Organization and other appropriate fora on any issue of common interest

b. Promotion of trade and investment:

Exchange information on international trade and on business and investment opportunities in all economic sectors;

Promote participation of small and medium-sized businesses in bilateral trade and economic cooperation;

Promote business missions, trade fairs, strategic alliances, symposia, conferences and technical presentations;

Promote efforts of the private sector of both Parties in third-country markets;

Promote joint ventures in the field of environmental technologies.

c. Cooperation:

Cooperation between the public bodies responsible for trade and the agencies of the Parties that promote foreign trade, so as to make greater use of the General Preferential Tariff (GPT).

Technical assistance and training of experts, officials, students and technicians, as appropriate, in order to meet the requirements of the markets of the Parties.

DONE in six original copies in Ottawa, this 31st day of May 1999, in the English, French and Spanish languages, each version being equally valid.

FOR THE GOVERNMENT FOR THE ANDEAN COMMUNITY AND THE GOVERNMENT OF THE REPUBLIC OF COLOMBIA

Hon. Sergio Marchi, H.E. Martha Lucia Ramirez

FOR THE GOVERNMENT FOR THE REPUBLIC OF PERU AND THE GOVERNMENT OF THE REPUBLIC OF BOLIVIA

H.E. Hernan Couturier-Mariategui, H.E. Rene Soria Galvarro Haensel

FOR THE GOVERNMENT OF THE REPUBLIC OF ECUADOR AND THE GOVERNMENT OF THE REPUBLIC OF VENEZUELA

H. E. Manuel Pesantes, Simon Faraco