TRADE AND INVESTMENT FRAMEWORK AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF PARAGUAY

The Government of the United States of America ("United States") and the Government of the Republic of Paraguay ("Paraguay") (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 the Parties for their mutual benefit;

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

Recognizing the benefits the Parties can derive from increased international trade and investment, and that trade-distorting investment measures and protectionist trade barriers can reduce these 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 sustainable economic development;

Recognizing the increased importance of trade in services between the economies of the Parties;

Taking into account the desirability of reducing non-tariff trade barriers in order to facilitate increased trade among the Parties;

Recognizing the importance of providing adequate and effective protection and enforcement of intellectual property rights, and of membership in and compliance with intellectual property rights conventions;

Recognizing the importance of respecting, promoting and realizing in each Party's laws and practices the fundamental labor rights as enumerated in the *ILO Declaration on Fundamental Principles and Rights at Work and its Follow-Up (1998),* and of ensuring the effective enforcement by the Parties of their respective labor laws;

Recognizing the importance of protecting and preserving the environment in accordance with each Party's environmental laws, and of ensuring the effective enforcement by the Parties of their respective environmental laws; and desiring to ensure that trade and environmental policies are mutually supportive in the furtherance of sustainable development;

Recognizing the key role of small and medium-sized enterprises in creating new jobs, expanding trade and stimulating economic growth, and seeking to increase international trade and investment opportunities for small and medium-sized enterprises;

Recognizing that enhancing opportunities for women, including women workers and women business-owners, to participate in the domestic, regional, and global economy contributes to the economic empowerment of women and to sustainable economic development;

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

Acknowledging the desirability of resolving trade and investment problems between the Parties as expeditiously as possible;

Desiring to reinforce the multilateral trading system by entering into further reciprocal and mutually advantageous arrangements under the auspices of the World Trade Organization ("WTO");

Noting that the Parties are Members of the WTO and affirming that this Agreement is without prejudice to the rights and obligations of these Parties under the agreements, understandings, and other instruments related to or concluded under the auspices of the WTO;

Seeking to create a mechanism for further dialogue on initiatives for expanding the trade between the Parties through enhanced cooperation and more comprehensive agreements;

HAVE AGREED as follows:

ARTICLE I

The Parties affirm their commitment to promote an attractive investment climate and to expand and diversify trade in products and services between the Parties.

ARTICLE II

1. The Parties hereby establish a United States - Paraguay Council on Trade and Investment ("Council"), comprising representatives of each Party. The Paraguayan side shall be chaired by the Ministry of Foreign Affairs, and the United States side shall be chaired by the Office of the U.S. Trade Representative ("USTR"). Both sides may be assisted by officials of their governments as circumstances require.

2. The Council shall meet at such times, in such places, and through such means as the Parties may agree. The Parties shall endeavor to meet no less than once a year.

3. The Council may establish working groups as the Parties deem necessary.

ARTICLE III

The Council shall:

1. monitor trade and investment relations between the Parties, identify opportunities for expanding trade and investment, and identify relevant issues that may be appropriate for negotiation in an appropriate forum;

2. consider specific trade and investment matters of interest to the Parties;

3. identify and work to remove impediments to trade and investment between the Parties;

4. seek the advice of the private sector and civil society, where appropriate, on matters related to the Council's work; and

5. develop and periodically update a work program (see Annex 1).

ARTICLE IV

A Party may refer a specific trade or investment matter 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 postpone discussion of the matter. Each Party shall endeavor to provide an opportunity for the Council to discuss a matter before taking actions that could adversely affect trade or investment interests of the other Party.

ARTICLE V

This Agreement shall be without prejudice to the law of either Party or to the rights and obligations of either Party under any other agreement.

ARTICLE VI

The United States and Paraguay shall notify each other in writing of the completion of the internal procedures necessary for the entry into force of this Agreement. This Agreement shall enter into force on the date of the last notification referred to in the previous sentence.

ARTICLE VII

Either Party may terminate this Agreement by providing written notice of termination to the other Party. The termination shall take effect on a date the Parties agree in writing or, if the Parties cannot agree, 180 days after the date of the notice of termination.

ARTICLE VIII

The "Agreement to Establish the United States - Paraguay Bilateral Council on Trade and Investments", signed at Washington, DC, September 26, 2003, is superseded by this Agreement on the date this Agreement enters into force.

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this Agreement.

DONE at Washington, DC, this 13th day of January, 2017, 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 REPUBLIC OF PARAGUAY:

Annex I

Initial Work Program

1. The Parties may include the following issues in the Council's initial work program:

- facilitation and expansion of bilateral trade and investment;
- cooperation on shared objectives in the World Trade Organization and in other multilateral trade fora;
- cooperation in agricultural matters;
- sanitary and phytosanitary measures;
- technical barriers to trade;
- intellectual property rights;
- regulatory issues affecting trade and investment;
- information and communication technology and e-commerce;
- trade and technical capacity building;
- trade in services;
- efforts to strengthen the rule of law and promote transparent and corruption-free public institutions;
- labor rights;
- environmental protection;
- small and medium-sized enterprises (SMEs);
- trade facilitation and logistics; and
- such other matters as the Parties may decide.

2. The Council may review, amend, or terminate its work program at any time.

3. At any meeting of the Council, the Parties may discuss and address issues not on the work program.