

Agreement of Economic Complementation No. 22 signed between the Republic of Venezuela and the Cooperative Republic of Guyana

The Plenipotentiaries of the Republic of Venezuela and the Cooperative Republic of Guyana, duly authorized by their respective Governments.

CONSIDERING

That the Republic of Venezuela is a signatory to the 1980 Treaty of Montevideo, that its articles 7, 8 and 9 of section III refer to partial scope agreements and Article 25 of the same instrument authorizes the conclusion of such agreements with other countries not members of the ALADI and economic integration areas of Latin America and the Caribbean, as well as the provisions of Resolution 2 of the Council of Ministers that establishes the general rules for these agreements;

That in the results of the Second Meeting of the Council of Ministers of the Latin American Integration Association the recommendations of the Plan of Action of Quito, approved during that Latin American Economic Conference regarding economic cooperation, expansion and diversification of trade and the elimination of non-tariff restrictions;

That the Republic of Guyana is a Contracting Party to the Chaguaramas Agreement of 1973, which establishes the Community and Common Market of the Caribbean. (CARICOM);

That both countries are signatories to the Agreement Establishing the Global System of Trade Preferences (GSTP) among developing countries signed in Belgrade on April 13, 1988, as well as the General Agreement on Tariffs and Trade (GATT);

That the provisions of this partial scope agreement do not contravene the commitments acquired under existing agreements; and

That both countries are of different levels of economic development,

AGREE:

CHAPTER I

Purpose of the Agreement

Article 1. The purpose of this Agreement is to stimulate trade between the signatory countries through the granting of tariff preferences and the elimination or reduction of non-tariff restrictions.

CHAPTER II

Definitions

Article 2.- "Levies" shall mean customs duties and any other surcharges of equivalent effects, whether of a fiscal, monetary or exchange nature, or of any nature, that affect imports. The rates and analogous surcharges will not be included in this concept when they respond to the cost of the services rendered.

Article 3.- "Restrictions" shall be understood to mean any non-tariff measure, of any nature, by means of which a signatory country prevents or hinders by a unilateral decision the imports of another signatory country.

CHAPTER III

Tariff Preferences and Non-Tariff Restrictions

Article 4.- The signatory countries agree to grant, on the levies in force in their national import tariff for third countries, the tariff preferences that are indicated for the products included in Annexes I and II that form an integral part of this Agreement.

The agreed preferences may be permanent during the term of the Agreement, or temporary or seasonal, be subject to import quotas, or fall on products from one or more sectors of their respective tariff nomenclatures.

Article 5.- In this Agreement, the tariff preferences that are granted consist of percentage reductions, the magnitudes of which shall be applied to import tariffs applicable to third countries.

Article 6.- The signatory countries will refrain from applying new non-tariff

restrictions on the importation of negotiated products, or to make more restrictive those declared, except for measures designed to:

- a) Protection of public morality;
- b) Application of security laws and regulations;
- c) Regulation of imports or exports of arms, ammunition and other war material and, under exceptional circumstances, of all other military articles;
- d) Protection of life and health of people, animals and plants;
- e) Import and export of metallic gold and silver;
- f) Protection of national heritage of artistic, historical or archaeological value; and
- g) Exportation, use and consumption of nuclear materials, radioactive products and any other material usable in the development or use of nuclear energy.

CHAPTER IV Preservation of Tariff Preferences

Article 7.- The signatory countries undertake to maintain the application of the agreed percentage preferences. Whatever the level of encumbrances in force for importation from third countries.

Article 8.- In the event that one of the Parties increases or decreases its tariff for third countries, it will proceed simultaneously to adjust the tax for the import of the negotiated products, in order to maintain the percentage preference agreed.

CHAPTER V Origin Regime

Article 9.- The concessions registered in Annexes I and II shall apply exclusively to products originating in and coming from the territory of the

signatory countries, in accordance with the provisions of Annex III, which forms an integral part of this Agreement.

CHAPTER VI Safeguard Clauses

Article 10.- Once the first year of validity of this Agreement is completed, the signatory countries may unilaterally impose, on a temporary basis, restrictions on imports of products subject to tariff preferences, when imports are made in quantities and conditions that cause threaten to cause serious damage to domestic producers of similar or directly competitive goods.

Serious damages will be considered to exist whenever there are imports of products or products negotiated, in quantities or values that cause or threaten to cause a reduction in the national productive activity, measured by the occupation index of the sector in question and by the relative decrease of its production for the domestic market in comparison with the imported product under the granted preferences.

Article 11.- The restrictions referred to in the previous article will have a maximum extension period of one year at maturity, if the situation that led to their application persists, the signatory countries will proceed to review the respective concession, with a view to achieve specific solutions.

Article 12.-The signatory country interested in invoking safeguard clauses will notify the other affected country within seven (7) days of the entry into force of the measure, attaching the bases and corresponding information.

A safeguard clause will not apply to products that are reliably proven to have been shipped before the application of the measure.

Article 13.- To preserve an adequate value or volume of exports of products affected by the safeguard clause, within thirty days (30) following the communication referred to in the previous article, the signatory countries will negotiate for the purpose to establish a quota that will govern during the application of the measure.

CHAPTER VII Withdrawal of Preferences

Article 14.- During the term of this Agreement, the unilateral withdrawal of the agreed-upon preferences does not proceed.

Article 15.- The exclusion of a preference that may occur as a consequence of negotiations for the revision of this Agreement, does not constitute unilateral withdrawal. Neither does it constitute a withdrawal of preferences the elimination of those agreed upon at term, if at the expiration of the respective terms of validity no renewal has been carried out.

CHAPTER VIII Evaluation and Review

Article 16.- The signatory countries, from the entry into force of this Agreement, will annually make a joint assessment of the progress of the same, in order to evaluate the results obtained and introduce the necessary adjustments that, by mutual agreement, consider convenient for its best performance.

Article 17.- The commitments derived from the measures and adjustments referred to in the previous article must be formalized through the signing of Additional Protocols or Modifications.

CHAPTER IX Accession

Article 18.- This Agreement is open to the adhesion of the remaining member countries of the Latin American Integration Association (ALADI) and the Community and Common Market of the Caribbean (CARICOM), after negotiation.

Accession will be formalized once the terms and conditions of the agreement have been negotiated between the signatory countries and the acceding country, through the signing of an Additional Protocol to this Agreement.

Article 19.- The tariff preferences granted by the member countries of the Latin American Integration Association in this Agreement will be automatically extended without the granting of compensation to Bolivia, Ecuador and Paraguay, regardless of negotiation or adhesion to it.

CHAPTER X Effectiveness

Article 20.- This Agreement will enter into force in a period not exceeding sixty days (60), from the date of its signature, it will have a duration of three (3) years and will be automatically extended for the same number of years, unless expressly stated otherwise by one of its signatories, six (6) months in advance of its expiration

Article 21.- This Agreement shall enter into force once both Governments have notified, through the diplomatic channel, that they have complied the internal legal requirements.

CHAPTER XI Complaint

Article 22.- Any of the signatory countries of this Agreement may denounce it after one year has elapsed since its entry into force. To that effect, you must communicate your decision to the other signatory country, at least sixty (60) days in advance. Once the denunciation is formalized, the acquired rights and the obligations contracted by virtue of this Agreement will automatically cease for the denouncing country, except for the preferences received and granted, which will continue in force for a period of one year counted from the date deposit of the reporting instrument.

CHAPTER XII Administration of the Agreement

Article 23.- For the administration and effective functioning of this Agreement, the signatory countries agree to set up an Administrative Commission composed of government representatives of both countries

and representatives of the private sector designated by the respective governments.

Article 24.- The Administrative Commission will meet within a period of ninety (90) days from the effective date of this Agreement, establish its regulations and subsequently meet as many times as necessary.

The Commission, with a view to promoting an equitable balance of trade flows between the two countries, will have the following powers, among others:

- 1) Ensure compliance with the provisions of this Agreement.
- 2) Propose to the signatory countries the inclusion of new products or the granting of greater preferences on the negotiated products.
- 3) To formulate to the governments of the signatory countries the recommendations that it deems appropriate to resolve the differences that may arise from the interpretation or application of this Agreement.
- 4) Recommend to the signatory governments, amendments to this Agreement that are necessary.
- 5) Proceed in accordance with the provisions of the Agreement, to periodically review the lists of products included in Annexes I and II.
- 6) Examine the origin requirements and determine specific rules when necessary.
- 7) Submit periodically to the signatory governments a report on the evaluation and operation of this Agreement.
- 8) Encourage the employers of the signatory countries to effectively use this Agreement and propose to both governments the necessary measures in this regard.
- 9) Any other attribution that the signatory governments consider necessary and that results from the application of this Agreement.

CHAPTER XIII Commercial Promotion

Article 25.- In order to achieve in the most effective way the objectives of this Agreement, and in particular through the Administrative Commission, the signatory governments agree to grant each other the best possible facilities for commercial promotion in their respective territories, such as the exchange of missions and commercial delegations, as well as participation in fairs and exhibitions held in the territory of the other signatory country.

Likewise, both countries will sponsor business meetings and support the initiatives of the Venezuelan-Guyana Joint Commission, in order to promote and facilitate trade relations between the two countries.

Through their competent official institutions, they will make effective the exchange of information on the perspectives offered by the markets of each country, in order to strengthen commercial exchange.

Signed in Caracas, on the twenty-seventh day of October one thousand nine hundred and ninety, in two originals in Spanish and English, both texts being equally valid. (Signed) For the Government of the Republic of Venezuela, Reinaldo Figueredo Planchart, Minister of Foreign Affairs. For the Government of the Cooperative Republic of Guyana, Rashleigh E. Jackson, Minister of Foreign Affairs.

LIST OF PREFERENCES GRANTED TO GUYANA

NANDINA CODE	GUYANA CODE	PRODUCT DESCRIPTION	LIABILITY (%)	AEM C (%)	PREFERENCE GRANTED	REG . LEG
0106.00.20	01.06.00	LIVE ANIMALS FOR ZOO PARKS	10	0	90	5.6
0303.00.00.90	03.01.2	FROZEN FISH (EXCEPT FILLET)	twenty	10	fifty	3.5

0305.40.00.30	03.02	SMOKED BACALAO	30	10	60	3.5
0305.51.00	03.02	DRY FISH	30	twenty	40	3.5
0702.00.00	07.01.2	TOMATOES	10	10	40	5.6
0704.90.00	07.01.3	COLES	10	10	40	5.6
0706.10.00	07.01.5	CARROTS	10	10	40	5.6
0707.00.00	07.01.6	CUCUMBERS	10	10	40	5.6
0709.60.00	07.01.7	PEPPERS	10	10	40	5.6
0709.90.00.90	07.01.8	CUCUMBERS	10	10	40	5.6
0709.90.00.90	07.01.8	PUMPKINS	10	10	40	5.6
0713.30.90.10	07.05.2	BLACK POROTOS	10	10	40	5.6
0713.30.90.90	07.05.2	WHITE AND PINK POROTOS	10	10	40	5.6
0713.30.90.90	07.05.2	OTHER PORTIONS	10	10	40	5.6
0713.40.90	07.05.2	HABICHUELAS ROJAS	10	10	40	5.6
0713.90.90	07.05.3	QUINCHONCHOS	10	10	40	5.6
0714.10.00	07.06.3	YUCCA	10	10	40	5.6
0714.20.00	07.06.4	YAMS	10	10	40	5.6
0714.30.00	07.01.8	OCHRO	10	10	40	5.6
0714.90.00	07.06.2	BASHEENS (HEDEOS)	10	10	40	5.6
0714.90.00	07.06.6	YAM	10	10	40	5.6
0714.90.00	07.06.5	TANIAS	10	10	40	5.6
0813.40.90.90	08.12	FRUITS DESERVED	twenty	10	fifty	5
1006.10.90	10.06	ROUGH RICE	10	10	twenty	2,5,6
1006.30.00	10.06	POLISHED RICE	30	twenty	30	2,5,6

2103.90.20	21.04	CONDIMENTS AND SAZONATORS, COMPOUNDS	30	30	fifty	5
2202.10.00	22.02.1	AROMATIZED BEVERAGES	twenty	twenty	30	5
2202.90.00	22.02	MALT	twenty	twenty	30	5
2203.00.00	22.03.1	BEER	30	40	30	5
2203.00.00	22.03.2	BLACK BEER	30	40	30	5
2204.29.90	22.05.9	CAME	fifty	30	60	5
2208.20.00	22.09.2 1	BRANDY	fifty	30	60	5
2208.30.00	22.09.1	WHISKEY	fifty	40	60	5
2208.40.00	22.09.3 1	RON	fifty	30	70	5
2208.50.00	22.09.4	GENEVA	fifty	30	70	5
2208.90.30	22.09.5	VODKA	fifty	40	60	5
2208.90.90	09.22.9 9	LIQUOR (CANDÍ)	fifty	40	60	5
2606.00.00	26.01	BAUXITE	1	5	100	
4001.30.00	40.01	BALATA	1	10	100	
4202.11.90	42.02	TRAVEL GOODS	fifty	40	twenty	
4402.00.00	44.02	CHARCOAL	10	10	fifty	6
4407.00.20	44.05.0 1	WOODS SAWN OR DESBASTADAS LONGITU.CONIFERAS	twenty	10	fifty	5
4407.00.90	44.05.2	CEDARS CARIBBEAN (CEDERLA ODORATA)	twenty	10	fifty	5
4407.00.90	44.05.3	GREENHEART	twenty	10	fifty	5
4407.00.90	44.05.4	MAHOGANY	twenty	10	fifty	5
4407.00.90	44.05.5	BLACKBERRY	twenty	10	fifty	5

4407.00.90	44.05.9	OTHER WOODS SAWN OR DEBASTATED NOT CONFIRM	twenty	10	fifty	5
6901.00.00	69.01.1	CLAY BRICKS	twenty	twenty	25	
7103.10.90	71.02	SEMIPRECIOUS STONES IN THE ROUGH (NOT DIAMONDS)	10	10	fifty	
9113.20.00	71.06	BRACELETS FOR COMMON METAL CLOCKS	fifty	40	60	

ANNEX III

Origin Qualification

FIRST.- They will be considered as originating in the signatory countries:

a) The products manufactured entirely in the territory of any of them, when in its elaboration exclusively materials originating in the signatory countries of this Agreement are used.

b) They will be considered as produced in the territory of a signatory country:

i) The products of the mineral, vegetable and animal kingdoms, including those of hunting and fishing, extracted, harvested or collected in their territory or in their territorial waters.

ii) The products of the sea extracted outside its territorial waters by ships of its flag or leased by companies established in its territory; Y

iii) The products resulting from operations or processes carried out in their territory by which they acquire the final form in which they will be marketed, except when said processes or operations consist only of simple

assemblies or assemblies, packaging, fractioning into lots or volumes, selection and classification, marking, composition of merchandise assortments or other equivalent operations or processes.

c) The products whose elaboration uses materials that are not originating in the signatory countries of this Agreement, when they result from a transformation process carried out in the territory of one of them, that confers a new individuality, characterized by the fact of be classified in the Brussels Tariff Nomenclature, in a position different from that of those materials.

However, the products resulting from operations or processes carried out in the territory of a signatory country by which they acquire the final form in which they will be commercialized will not be considered as originating, when in those operations or processes only materials or supplies that are not used are used. they originate from their respective countries and consist only of assembly or assembly, fractioning into lots of volumes, selection, classification, marking, composition of merchandise assortments or other similar operations or processes.

d) Products resulting from assembly and assembly operations carried out in the territory of a signatory country, using materials originating in the signatory countries and third countries when the CIF port of destination value or CIF seaport of the materials originating in third countries , do not exceed 50 percent of the FOB value of those products.

SECOND.- The signatory countries will be able to establish, by common agreement, specific requirements of origin for the qualification of the negotiated products.

The specific requirements of origin will prevail over the general qualification criteria established in the first article.

THIRD.- In the determination of the origin requirements referred to in the second article, as well as in the revision of those that have been established, the signatory countries will take as a basis, individually or jointly, among others, the following elements:

I) Materials and other inputs used in production:

a) Raw materials:

- i) Preponderant raw material or that gives the product its essential characteristic; and
- ii) Main raw materials.

b) Parts or pieces:

- i) Part or piece that confers the product its essential characteristic;
- ii) Main parts or parts; and
- iii) Percentage of the parts or pieces in relation to the total weight.

c) Other inputs.

II) Process of transformation or elaboration carried out.

III) Maximum proportion of the value of materials imported from non-signatory countries in relation to the total value of the product, resulting from the valuation procedure agreed upon in each case.

Any of the signatory countries may request the revision of the origin requirements established in accordance with the first article. In your request you must propose and substantiate the requirements applicable to the product or products in question.

FIFTH.- For the purposes of compliance with the requirements of origin established in this annex, the materials and other inputs, originating in the territory of one of the signatory countries incorporated by another of the signatory countries to the production of a certain product, shall be considered as originating in the territory of the latter.

SIXTH.- The criterion of maximum use of materials or other inputs originating in the signatory countries can not be used to set requirements that imply the imposition of materials or other inputs of these signatory countries, when in their opinion, they do not meet the conditions adequate supply, quality and price.

SEVENTH.- It will be understood that the term "materials" includes the raw materials, intermediate products and the parts or pieces used in the production of the products.

EIGHT.- In order that the import of the products included in this agreement may benefit from the reductions of liens and restrictions granted among them by the signatory countries, in the documentation corresponding to the exports of said products, a declaration certifying compliance must be included. of the origin requirements established in accordance with the provisions of the previous articles.

NINETH.-The declaration referred to in the preceding article shall be issued by the final producer or the exporter of the merchandise and certified by an official institution or entity authorized by the exporting signatory country.

TENTH.- In all cases, the form appearing in the Annexes of this Agreement will be used.

ELEVENTH.- The signatory countries will inform each other of the respective governmental entities that will authorize the declarations of origin and of the signatures and stamps respectively authorized. Any modification of these conditions, signatures and seals must be communicated at least thirty (30) days in advance.

TWELFTH.-Whenever a signatory country considers that the certificates issued by an institution authorized by the exporting country, do not conform to the provisions contained in the present regime, it will inform the exporting country so that it adopts the measures it deems necessary to solve the problem. the problems raised.

In no case shall the importing country stop the importation process of the products covered by the certificates referred to in the preceding paragraph but may, in addition to requesting additional information corresponding to the governmental authorities of the exporting country, adopt the measures it deems necessary to guarantee the fiscal interest.

In case of doubt about the origin of the merchandise, and if the problem has not been solved by bilateral management, the importation of the goods in question will not be impeded, provided a guarantee is given that guarantees the importing country the payment of taxes and other surcharges that may be caused by their import, as if they were originally from third countries. The bond will be effective or not as it is resolved.

