

No. 17413

**BRAZIL
and
AUSTRALIA**

**Trade Agreement (with interpretative note). Signed at
Canberra on 23 February 1978**

*Authentic texts: Portuguese and English.
Registered by Brazil on 20 December 1978.*

**BRÉSIL
et
AUSTRALIE**

**Accord commercial (avec note interprétative). Signé à
Canberra le 23 février 1978**

*Textes authentiques : portugais et anglais.
Enregistré par le Brésil le 20 décembre 1978.*

TRADE AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE FEDERATIVE REPUBLIC OF BRAZIL AND THE GOVERNMENT OF AUSTRALIA

PREAMBLE

The Government of the Federative Republic of Brazil and the Government of Australia,

Convinced of the importance for the two countries of strengthening, expanding and diversifying trade, economic and commercial relations between them on an equitable and mutually beneficial basis within a long-term perspective,

Recognizing that the patterns of natural resources and the economic, industrial and demographic development of the two countries may open up promising avenues for cooperation,

Recognizing further the mutual benefits accruing from economic, commercial and industrial cooperation between relevant enterprises and organizations of the two countries,

Having regard to their respective international rights and obligations as contracting parties to the General Agreement on Tariffs and Trade,² other multilateral agreements relating to trade to which one or both countries are party and their membership of the International Monetary Fund,

Have agreed as follows:

Article I. The two Governments shall take all appropriate measures to facilitate, strengthen and diversify trade between their countries in respect of both current and potential exports of goods and services with a view to achieving a continuing expansion of mutually beneficial trade.

Article II. Trade between the two countries shall be effected in accordance with the mutually applicable rights and obligations acquired and undertaken by the two countries as contracting parties to the General Agreement on Tariffs and Trade.

Article III. To advance the objectives of article I of this Agreement the two Governments:

- (a) Shall encourage and facilitate the negotiation of contracts on a commercial basis between the relevant enterprises and organizations of their two countries;
- (b) Declare their support in principle for mutually beneficial long-term arrangements on a commercial basis relating to the supply and purchase of commodities and shall encourage the relevant enterprises and organizations to explore the scope for such arrangements and, where appropriate, to conclude such arrangements.

Article IV. The two Governments shall, as appropriate, encourage and facilitate the development of economic, commercial and industrial cooperation, including investments on a joint venture basis, between relevant enterprises and organizations

¹ Came into force on 28 August 1978, the date of the last of the notifications by which the Parties informed each other of the completion of the necessary formalities, in accordance with article XII.

² United Nations, *Treaty Series*, vol. 55, p. 187.

of their respective countries. The decision to enter into individual cooperation projects and the contractual arrangements for their implementation shall be the responsibility of the participating enterprises and organizations.

Article V. In order to further the objectives of this Agreement the two Governments shall, as appropriate:

- (a) Encourage and facilitate the exchange of commercial, industrial and technical representatives, groups and delegations between their countries;
- (b) Cooperate in regard to studies and research related to exchanges referred to in sub-paragraph (a) of this article; and
- (c) Exchange the relevant information, including details of production estimates and targets, consumption, demand and stocks, on products significant for the economies of their countries.

Article VI. Each Government shall, as appropriate, encourage and facilitate the holding of, and participation in, trade fairs, trade exhibitions and other promotion activities in the fields of trade and technology in its country by enterprises and organizations of the other country. Each Government shall exempt from the payment of import duties and taxes and permit re-exportation of articles for display at fairs and exhibitions, as well as samples of goods for advertising purposes, temporarily imported from the country of the other. Such articles and samples shall be re-exported from the country into which they are imported and shall not be disposed of in that country unless the prior approval of the competent authorities of that country has been obtained and payment of the appropriate import duties and taxes, if any, has been made.

Article VII. Each Government shall use its best endeavours to ensure that professional consultants and construction contractors of the country of the other have opportunity to develop activities in its country and to accord in respect of such activities treatment no less favourable than that accorded firms or individuals from any third country.

Article VIII. All payments arising from trade and other transactions between the two countries shall be effected in mutually acceptable convertible currencies in accordance with the foreign exchange regulations in force in the two countries.

Article IX. For the purpose of promoting the aims of this Agreement a Joint Committee, consisting of representatives designated by the respective Governments is hereby established. The Committee shall meet once a year, unless otherwise mutually agreed, alternately in Brazil and Australia. Within the purview of this Agreement the Committee shall, *inter alia*:

- (a) Review and keep under consideration the implementation of the provisions of this Agreement;
- (b) Examine bilateral trade developments and advance proposals aimed at maximising mutually advantageous exchanges of goods and services between commercial enterprises and organizations of the two countries;
- (c) Consider proposals made by either Government aimed at continuing expansion and diversification of bilateral trade in a harmonious way with due regard to each country's long-term trade objectives and, as appropriate, advise upon the implementation of such proposals;

- (d) Identify, and bring to the attention of the two Governments, areas of economic, commercial and industrial cooperation that might be explored by the relevant enterprises and organizations of the two countries, particularly areas which offer prospects for the development of mutually beneficial trade;
- (e) Examine and develop proposals for the solution of problems which may arise in the implementation of this Agreement or in the development of trade between the two countries.

Article X. Either Government may make representations to the other on matters arising out of, or in connection with, the implementation of the present Agreement. Any such representations shall receive full and prompt consideration and, as appropriate, may be the subject of consultations between the two Governments.

Article XI. Nothing in this Agreement shall require either Government, or the enterprises and organizations of the country of either Government, to take any action which would be inconsistent with the laws, regulations or policies of that country.

Article XII. Each Government shall notify the other, through diplomatic channels, of its completion of such formalities as may be necessary in order that this Agreement may come into force. The Agreement shall come into force on the date of the last of such notices and shall remain in force for an initial period of ten years. After such initial period the Agreement shall remain in force until one hundred and eighty days after either Government receives from the other written notice of intention to terminate the Agreement.

In the event of termination of this Agreement all outstanding obligations undertaken pursuant to the Agreement shall be fulfilled in accordance with its provisions.

Upon its entry into force this Agreement shall terminate and replace the Exchange of Notes regulating Commercial Relations concluded on the nineteenth day of July in the year one thousand nine hundred and thirty-nine between the Government of the Commonwealth of Brazil and the Government of Australia.¹

IN WITNESS WHEREOF the undersigned, being duly authorised by their respective Governments, have signed the present Agreement.

DONE at Canberra on this 23rd day of February in the year one thousand nine hundred and seventy-eight in the Portuguese and English languages, both texts being equally authentic.

[Signed]

For the Government of the
Federative Republic of Brazil

RAMIRO ELYSIO SARAIVA GUERREIRO

[Signed]

For the Government
of Australia

JOHN DOUGLAS ANTHONY

¹ League of Nations, *Treaty Series*, vol. CC, p. 191.

INTERPRETATIVE NOTE

In connection with the Trade Agreement between the Government of the Federative Republic of Brazil and the Government of Australia signed today, the representatives of the two Governments wish to record the following understandings reached during the negotiation of the Agreement by the delegations of the two Governments:

(1) Article II of the Agreement comprehends mutual assurances by the two Governments that, in the administration of policies and procedures quantitatively regulating imports into their countries, the treatment accorded to imports into each country will be no less favourable than that applying to imports from any other country.

(2) Nothing in the Agreement requires either Government to provide incentives through any measures involving income tax arrangements.

(3) The word "services" as appearing in articles I and IX of the Agreement is not to be construed as including transport services.

[Signed]

For the Government of the
Federative Republic of Brazil

RAMIRO ELYSIO SARAIVA GUERREIRO

[Signed]

For the Government
of Australia

JOHN DOUGLAS ANTHONY

Canberra, February 23rd, 1978 .
