

**No. 17833**

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**BRAZIL  
and  
MEXICO**

**Basic Agreement on industrial co-operation. Signed at  
Mexico City on 18 January 1978**

*Authentic texts: Portuguese and Spanish.*

*Registered by Brazil on 30 May 1979.*

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**BRÉSIL  
et  
MEXIQUE**

**Accord de base relatif à la coopération industrielle. Signé à  
Mexico le 18 janvier 1978**

*Textes authentiques : portugais et espagnol.*

*Enregistré par le Brésil le 30 mai 1979.*

## [TRANSLATION — TRADUCTION]

**BASIC AGREEMENT<sup>1</sup> ON INDUSTRIAL CO-OPERATION BETWEEN THE GOVERNMENT OF THE FEDERATIVE REPUBLIC OF BRAZIL AND THE GOVERNMENT OF THE UNITED MEXICAN STATES**

The Government of the Federative Republic of Brazil and the Government of the United Mexican States,

Desiring to widen the co-operation existing between the two countries in the most diverse fields as an expression of the traditional friendship uniting them,

Aware that such co-operation is of great importance for the development of their respective economies, because of the possibilities for complementarity which it offers,

Convinced that, by widening this complementarity in the areas of industry and services, they will help to bring about a more rapid structural transformation of their economies, with a view to accelerating the processes of economic and social development,

Bearing in mind that industrial co-operation was the aim of the Agreement of 9 April 1962, which established a Mixed Group for Industrial Co-operation, and that one of the main objectives of the Mixed Brazil-Mexico Commission, established by an exchange of notes of 22 August 1969, is to accelerate economic complementarity between the two countries,

Aware that, in order to bear fruit fully, this co-operation has to be seen in a wider sense, including, among other things, the financial and economic aspects of technical co-operation, and of scientific and technological research,

Have agreed as follows:

**Article I.** 1. The Contracting Parties undertake to promote co-investments in the industrial sector aimed at producing, in either country, durable consumer goods, equipment and semi-finished goods, for their own markets and those of third countries.

2. The capital of such enterprises shall consist of public funds or private funds belonging to physical or juridical persons who are nationals of the respective countries.

3. The Contracting Parties shall strive to conclude, at the appropriate time, agreements with a view to harmonizing tax arrangements applicable to earnings obtained as a result of the implementation of this Agreement.

**Article II.** In support of the objectives established in article I, the Contracting Parties undertake to prepare programmes of scientific and technical co-operation, aimed at the exchange of specific experience and the training of personnel at all levels, to be employed in the areas covered by the bi-national enterprises formed under the terms of this Agreement.

<sup>1</sup> Came into force on 28 February 1979, the date of the last of the notifications by which the Contracting Parties informed each other of the completion of the required legislative formalities, in accordance with article V (2).

*Article III.* In the same way, the Contracting Parties undertake to prepare programmes which make it possible to provide the technology required by the bi-national companies formed under the terms of the present Agreement.

*Article IV.* The Contracting Parties shall direct their efforts especially, although not exclusively, towards the fields of the iron and steel industry, non-ferrous metals, capital goods, shipbuilding, and machinery and equipment designed for agriculture and the industrialization of agricultural production.

*Article V.* 1. This Agreement shall remain in force for five years, to be extended automatically for further periods of five years, unless one of the Parties informs the other in writing, at least six months in advance, of its decision to the contrary.

2. Each of the Contracting Parties shall notify the other of the completion of the formalities required by its legislation for the entry into force of this Agreement, which shall come into force on the date of the later of such notifications.

3. In case of termination of this Agreement, programmes and projects being executed shall not be affected, unless the Parties have agreed otherwise.

SIGNED in Mexico City on 18 January 1978, in two original copies, in the Portuguese and Spanish languages, both texts being equally valid.

For the Government  
of the Federative Republic  
of Brazil:

[Signed]

ANTONIO F. AZEREDO DA SILVEIRA

For the Government  
of the United Mexican States:

[Signed]

SANTIAGO ROEL