## No. 19260

## BRAZIL and PERU

## Agreement on the medium-term supply of products. Signed on board the Peruvian vessel *Ucayali*, moored on the Amazon River at the Brazilian-Peruvian frontier on 5 November 1976

Authentic texts: Portuguese and Spanish. Registered by Brazil on 11 November 1980.

# BRÉSIL et PÉROU

## Accord relatif à la fourniture à moyen terme de produits divers. Signé à bord du navire péruvien Ucayali, à l'ancre sur l'Amazone à la frontière entre le Brésil et le Pérou le 5 novembre 1976

Textes authentiques: portugais et espagnol. Enregistré par le Brésil le 11 novembre 1980.

#### [TRANSLATION — TRADUCTION]

#### AGREEMENT' ON THE MEDIUM-TERM SUPPLY OF PRODUCTS BETWEEN THE GOVERNMENT OF THE FEDERATIVE REPUBLIC OF BRAZIL AND THE GOVERNMENT OF THE REPUBLIC OF PERU

In accordance with the Trade Agreement signed between the Government of the Federative Republic of Brazil and the Government of the Republic of Peru,<sup>2</sup> the Government of the Federative Republic of Brazil and the Government of the Republic of Peru hereby undertake to supply each other, through the competent corporations, from 1977 to 1980, with Brazilian agricultural products and Peruvian non-ferrous metals, in accordance with the import needs and export availabilities of the two countries.

Article 1. The market guarantee offered by Peru for the purchase of Brazilian products may in no case represent an amount greater than that of Brazilian purchases from Peru made in the framework of the Trade Agreement.

Article 2. In the case of Brazilian purchases of Peruvian non-ferrous metals, the Government of the Federative Republic of Brazil undertakes to reserve a minimum of thirty-five per cent (35%) of Brazil's actual annual imports, from 1977 to 1980 inclusive, of each of the following types of products:

- -- Copper, in the form of cathodes, wire bars and blister.
- Special High Grade (including Die-Casting Grade and Microlite) and High Grade refined zinc.

With regard to refined zinc, Brazil shall preferably purchase from Peru Special High Grade.

The above-mentioned percentage constitutes the volume of the abovementioned Peruvian products for which the Government of the Federative Republic of Brazil guarantees placement on the Brazilian market, undertaking to take the necessary administrative measures to comply with this quantitative commitment.

Minero Perú Comercial may place greater quantities of these products on the Brazilian market, using the most appropriate channels, preferably State channels, on the usual commercial terms.

The terms of sale for copper and zinc, such as price, grade and technical specifications, payments, shipments, etc., shall be competitive and agreed directly between Minero Perú Comercial and Brazilian importers.

Article 3. The Government of the Republic of Peru, taking into account its export-producing potential, shall take the necessary steps within its power to try to meet Brazilian import needs, both in the percentage indicated and in the grades required.

<sup>&</sup>lt;sup>1</sup> Came into force on 15 January 1979 by the exchange of the instruments of ratification, which took place at Lima, in accordance with article 13.

<sup>&</sup>lt;sup>2</sup> See p. 33 of this volume.

Article 4. The Government of the Federative Republic of Brazil, through CONSIDER, shall each year inform the Government of the Republic of Peru, in September and October of the preceding year, of Brazil's estimated imports of refined copper and zinc and other non-ferrous metals, in each type and grade.

The Government of the Republic of Peru, through Minero Perú Comercial, shall communicate, in November and December of the preceding year, the quantities of each type and grade of each product which it undertakes to supply each year.

This information shall be supplemented and updated quarterly.

Article 5. The Parties agree to consider the possibilities of exporting Peruvian copper concentrates to Brazil. These exports shall be the subject of special long-term agreements.

Article 6. In the case of Peruvian purchases of Brazilian agricultural products in 1977, the two Parties hereby designate by mutual consent the following products and quantities:

- Maize: 100,000 to 200,000 metric tons,

1980

- Crude soybean oil: 15,000 to 30,000 metric tons.

These quantities may be increased annually in proportion to the increase in Brazilian purchases from Peru.

Article 7. Purchase prices shall be competitive and shall be fixed by mutual consent between COBEC of Brazil and ENCI and EPCHAP of Peru, in accordance with the provisions of article VI of the Trade Agreement between the two countries.

Article 8. The agricultural products referred to in this Agreement, as well as the percentages and terms of sale such as grade, technical specifications, payments, shipments, etc., shall be agreed directly between the competent Brazilian and Peruvian corporations, and shall form part of the annual contracts which, to this end, shall be signed by 31 March of each year at the latest.

Article 9. The Government of the Federative Republic of Brazil, through the competent corporations, shall each year inform the Government of the Republic of Peru, in November and December of the preceding year, of the products and the quantities of each type and grade of each product which it is in a position to place on the Peruvian market.

The Government of the Republic of Peru shall, through the same channel, communicate to the Government of the Federative Republic of Brazil in January at the latest estimates of Peru's demand for imports of maize and soybean oil.

Article 10. Each year, at an appropriate date, the representatives of the competent corporations shall establish a tentative schedule of shipments which takes into account Brazil's supply possibilities and receiving and storage conditions in Peru.

Article 11. In the last quarter of each year, the representatives of the corresponding corporations shall undertake a full review of the execution of the operations undertaken by virtue of this Agreement, in order to determine whether it is appropriate to introduce changes which might be needed, in the light of the

experience gained and with the intention of strengthening the continuity of trade relations between the two countries.

Article 12. The Government of the Federative Republic of Brazil, on the basis of its export-producing potential, shall take the necessary steps within its power to ensure the timely supply of Peruvian demand for imports of agricultural products indicated above, in the quantities and grades required.

Article 13. This Agreement shall enter into force on the date of the exchange of the instruments of ratification and shall remain in force until 31 December 1980; thereafter, it shall be renewed automatically for five-year periods unless one of the Parties denounces it six (6) months prior to the expiry of one of the periods of validity, for which purpose it shall communicate its decision immediately to the other Party.

DONE in two copies, in the Portuguese and Spanish languages, both texts being equally authentic, and signed on board the Peruvian vessel *Ucayali* moored on the Amazon River (Solimões) on the frontier line between Brazil and Peru on 5 November 1976.

For the Government of the Federative Republic of Brazil: [Signed] ANTONIO F. AZEREDO DA SILVEIRA For the Government of the Republic of Peru: [Signed] JOSÉ DE LA PUENTE RADBILL