

No. 26690

**ARGENTINA
and
ITALY**

Agreement for the establishment of the Permanent Argentine/Italian Secretariat and other organs as provided for in the Treaty and Minute signed at Rome on 10 December 1987. Signed at Rome on 21 November 1988

Authentic texts: Spanish and Italian.

Registered by Argentina on 16 June 1989.

**ARGENTINE
et
ITALIE**

Accord portant création du Secrétariat permanent argentin-italien et autres organes prévus par le Traité et le Procès-Verbal signés à Rome le 10 décembre 1987. Signé à Rome le 21 novembre 1988

Textes authentiques : espagnol et italien.

Enregistré par l'Argentine le 16 juin 1989.

[TRANSLATION — TRADUCTION]

AGREEMENT¹ FOR THE ESTABLISHMENT OF THE PERMANENT ARGENTINE-ITALIAN SECRETARIAT AND OTHER ORGANS AS PROVIDED FOR IN THE TREATY AND MINUTE SIGNED AT ROME ON 10 DECEMBER 1987

The Government of the Argentine Republic and the Government of the Italian Republic:

Bearing in mind the special associative relationship between Argentina and Italy established by the Treaty and Minute signed at Rome on 10 December 1987;²

Considering that the associative relationship has the following objectives:

A. To permit the implementation of an innovative model of cooperation in North-South relations in the context of the international relationship between an industrialized country and a developing country burdened by external debt;

B. To sustain the growth and development of the Argentine nation in order to consolidate political stability and democracy in that country;

C. To encourage joint experiments in production which promote the modernization of, and increased productivity in, the Argentine economy, special attention being paid to the development of projects submitted by small and medium-sized enterprises;

Recalling that the two Governments have also made special plans for the promotion of a "programme of support for Argentine economic development" designed to generate investments in Argentina in the amount of approximately \$5,000 million in the five-year period 1988-1992;

Have agreed as follows:

Article 1. FUNCTIONS

Pursuant to the provisions of article 9 of the Treaty for the establishment of a special associative relationship, a Permanent Secretariat shall be established with a mandate to prepare and review progress in the implementation of the Treaty and other related matters which the two Parties shall deem it appropriate to submit to it and, to the same end, to identify speedy and simplified administrative procedures for the implementation of the initiatives agreed upon.

For that purpose, the Secretariat shall have the following functions:

A. *Monitoring functions.* To monitor the implementation of the directives approved at summit meetings and the agreements reached in the Joint Commissions referred to in article 10 of the Treaty, as well as the recommendations arising from agreements in force between the two countries.

B. *Proposal function.* To prepare proposals and initiatives for presentation at summit meetings with a view to the implementation of the various forms of Argentine-Italian cooperation provided for in the Treaty. It may also make sugges-

¹ Came into force on 21 November 1988 by signature, in accordance with article 9.

² See p. 307 of this volume.

tions to the Joint Commissions concerning the various possible forms and instruments of cooperation.

C. *Procedures.* To identify rapid and simple procedures for the implementation of the initiatives agreed upon by the competent bodies and to present the periodic report on the progress made in implementing the decisions adopted, and on the programming and formulation of new initiatives.

Article 2. PRESIDENCY

Pursuant to article 9 of the Treaty, the Permanent Secretariat shall be presided over alternately, for a period of one year each, by the highest-ranking official of the respective Ministries of Foreign Affairs.

Article 3. COMPOSITION

Pursuant to the provisions of article 9 of the Treaty, the Permanent Secretariat shall consist of four high-ranking officials from each country and their alternates, appointed by their respective Ministries of Foreign Affairs.

On the Italian side, the composition of the Secretariat shall be as follows: the Secretary-General of the Ministry of Foreign Affairs, the Director-General for Political Affairs, the Director-General for Economic Affairs and the Director-General for Cooperation for Development.

The Ambassador of Italy in Argentina shall assist the aforementioned officials, who may be advised by experts from other Ministries.

On the Argentine side, the composition of the Secretariat shall be as follows: the Secretary of State for Foreign Affairs, the Under-Secretary for Economic Integration, the Under-Secretary for Foreign Policy and the Under-Secretary for International Cooperation.

The Ambassador of Argentina in Italy shall assist the aforementioned high-ranking officials, who may be advised by experts from other Ministries.

Article 4. PROCEDURES

The current President of the Permanent Secretariat shall convene regular sessions once a year.

Extraordinary meetings may be convened at the request of one of the Parties.

The date and agenda of, and the names of those participating in, meetings of the Permanent Secretariat shall be established through the diplomatic channel.

As soon as the Parties have exchanged communications regarding the completion of the constitutional formalities relating to the entry into force of the Treaty, the Permanent Secretariat shall meet, alternately in Argentina and Italy, depending on which country holds the Presidency.

The documents issued by the Permanent Secretariat shall be in the Spanish and Italian languages, both texts being equivalent in form and content.

Decisions shall be taken by consensus.

Article 5. SUBSIDIARY ORGAN OF THE SECRETARIAT

A Steering Committee shall be established, consisting, on the Italian side, of four members representing the Directorate General for Economic Affairs and the

Directorate General for Cooperation for Development of the Ministry of Foreign Affairs, the Ministry of the Treasury and the Ministry of Foreign Trade. The four members on the Argentine side shall represent the Ministry of Foreign Affairs and Worship (the Secretary for International Economic Relations), the Ministry of the Economy (the Under-Secretary for Economic Policy), the Secretariat for Industry and Foreign Trade and the Central Bank of the Argentine Republic.

As soon as the parties have exchanged communications regarding the completion of the constitutional formalities relating to the entry into force of the Treaty, the Committee shall meet at the request of one of the Parties. The agenda shall be agreed through the diplomatic channel and decisions shall be adopted unanimously.

The functions of the Steering Committee shall be:

(a) To receive projects considered eligible by the Secretariat for Industry and Foreign Trade of the Argentine Republic (SICE), and approve or reject them or suggest changes thereto, as the case may be;

(b) To take note of projects considered to be ineligible;

(c) To examine the annual report, including the statement of accounts of the Financial Technical Council referred to in article 6;

(d) To furnish information to the Permanent Secretariat on an annual basis.

The Steering Committee may confirm the compatibility of projects through the procedure for written approval of all components, transmitted through the diplomatic channel.

A meeting of the Steering Committee shall be requested in the event that its members fail to agree.

The Steering Committee may meet and take decisions when at least three (3) members of each State are present. "Member" shall be understood to mean the titular official or his alternate.

Article 6. EXTERNAL ORGAN OF THE SECRETARIAT

The Permanent Secretariat shall be assisted, when necessary, by a Financial Technical Council, established in conformity with Argentine law and consisting, on a basis of equality, of representatives of the banking institutions of the two countries, in accordance with the agreement reached in Buenos Aires and Rome on 3 November 1988.

This organ shall have its headquarters in Buenos Aires and shall perform the following functions on a non-profit basis:

(a) Examine the economic validity of all the projects submitted by local banks and provide them with the necessary advice;

(b) Prepare a single report containing the results of the examination of all the projects;

(c) Present the report and the projects, on behalf of the local banks, to the Secretariat for Industry and Foreign Trade (SICE) of the Argentine Republic for subsequent submission to the Steering Committee.

Article 7. PROCEDURE FOR PROJECT APPROVAL

In order to obtain the concessional financing provided for in the Treaty, the following procedure shall be followed:

1. The competent Italian authority shall in each case issue decrees authorizing the amounts corresponding to the assistance funds referred to in the Minute of 10 December 1987 and, in that context, shall authorize the Mediocredito Centrale to coordinate the respective financial agreements with the Central Bank of the Argentine Republic (BCRA).

2. The enterprise concerned shall submit the project to one of the local banks specifically authorized by the Central Bank of the Argentine Republic.

3. The local bank, which shall assume the credit risk *vis-à-vis* the Central Bank of the Argentine Republic in respect of the promotional financing, shall submit the project to the Financial Technical Council.

4. The Financial Technical Council shall examine the economic validity of the project and, within a period of not more than thirty (30) days, shall transmit its conclusions to the Secretariat for Industry and Foreign Trade of the Argentine Republic (SICE).

If the project has not been submitted to the aforementioned Secretariat within 30 days, the local bank concerned may transmit the project directly to SICE.

5. SICE shall decide on the eligibility of projects, specifying their order and priority, and shall transmit them to the Steering Committee within 30 days of the end of each quarter.

6. The Steering Committee shall decide on the projects as quickly as possible, if possible within sixty (60) days.

7. The Ministry of Foreign Affairs and Worship of the Argentine Republic shall transmit to the Ministry of Foreign Affairs of the Italian Republic the request for financing, endorsed by the Steering Committee, for the approval of the competent Italian agencies as established by Act 49/87.

8. The competent Italian Ministries shall, if possible, within a period of 60 days, authorize the amounts approved for projects for the purpose of payment.

Article 8. REGULATIONS TO BE ISSUED BY THE ARGENTINE GOVERNMENT

For the purposes of compliance with the financial scheme established under the Treaty and Minute of 10 December 1987 and under this Agreement, the Argentine Government shall, as soon as possible, issue the necessary regulations for implementation of the concessionary arrangements provided for, and to promote and ensure the availability of the three types of financing to which the Minute refers.

Article 9

This Agreement shall enter into force on the date of its signature and shall cease to have effect on 31 December 1989 if the Treaty for the establishment of a special associative relationship, signed at Rome on 10 December 1987, has not entered into force by that date.

DONE at Rome, on 21 November 1988, in two original copies, in the Spanish and Italian languages, both texts being equally authentic.

For the Government
of the Argentine Republic:

[RAÚL ALFONSÍN]

For the Government
of the Italian Republic:

[CIRIACO DE MITA]