

No. 31166

**SPAIN
and
BRAZIL**

General Treaty of cooperation and friendship (with annexed economic agreement). Signed at Madrid on 23 July 1992

Authentic texts: Spanish and Portuguese.

Registered by Spain on 23 August 1994.

**ESPAGNE
et
BRÉSIL**

Traité général de coopération et d'amitié (avec accord économique annexé). Signé à Madrid le 23 juillet 1992

Textes authentiques : espagnol et portugais.

Enregistré par l'Espagne le 23 août 1994.

[TRANSLATION — TRADUCTION]

GENERAL TREATY¹ OF COOPERATION AND FRIENDSHIP BETWEEN THE KINGDOM OF SPAIN AND THE FEDERATIVE REPUBLIC OF BRAZIL

The Kingdom of Spain and the Federative Republic of Brazil (hereinafter referred to as the Parties),

Considering the excellent relations existing between the two countries, which are the result of the traditional bonds of friendship which unite them and of the cultural identity of their peoples,

Motivated by a desire, in a cooperation instrument, to formalize their mutual interest in strengthening those relations at all levels and extending them into the future,

Highlighting their common position on transcendent international principles such as the self-determination of peoples, non-interference in the internal affairs of States, the peaceful settlement of disputes, the renunciation of the use of force, the equality of States before the law, the primacy of international law and international cooperation for development, as well as the need, by all available means, to take more forceful action to strengthen international peace and security,

Convinced that a stable, open and consolidated democracy is the only political regime that fully addresses the ethical, social and cultural aspirations of peoples and provides a vehicle for the expression of their desires and concerns,

Reaffirming their commitment to defending and fostering the principles contained in the Universal Declaration of Human Rights and other international human rights instruments,

Convinced that economic and social development is not only an inalienable right, but a prerequisite for progress and for strengthening democratic institutions and fundamental rights and freedoms, in order to improve standards of living and preserve international peace,

Wishing to modernize their production, trade and service sectors as a matter of urgency in a competitive and interrelated world,

Aware of the seriousness of the problem of external debt, which demands an equitable solution that will ensure the economic and social recovery and development of the countries affected,

Believing that it is necessary to join forces at the international level to fight terrorism and drug trafficking,

Taking into account the need to promote joint initiatives in the various international forums designed to strengthen the protection and defence of the environment, in accordance with the guidelines issued by the 1992 United Nations Conference on Environment and Development,

Convinced that Spain, as a member country of the European Community, and Brazil, as a member country of the Southern Cone Common Market, the Latin

¹ Came into force on 6 July 1994, i.e., 30 days after the date on which the Parties had informed each other (on 5 May and 6 June 1994) of the completion of their internal procedures, in accordance with article 17.

American Integration Association and the Rio Group, must direct their efforts in the various regional forums, towards strengthening relations of all kinds between Europe and Latin America,

Agreeing on the need to promote regional integration processes, which will strengthen development and interrelationships among peoples,

Recognizing that the Quincentenary of the Discovery/Encounter Between Two Worlds offers a historic opportunity to intensify cooperation in all sectors in the Ibero-American context, through the Summits of Heads of State and Government, which are to succeed the one held in Guadalajara by Summits in Spain in 1992 and in Brazil in 1993,

Stressing the need for a supplementary general treaty which covers the provisions of specific agreements which are in force or which may be concluded on the basis of this Treaty, and pursuant to the provisions of the instrument establishing the legal framework for the Treaty of Cooperation and Friendship between Brazil and Spain signed in Madrid on 17 May 1991,

Have agreed as follows:

PRELIMINARY PROVISIONS

AREAS OF COOPERATION

Article 1

The Parties agree to strengthen their bilateral cooperation in the political, economic and financial, technical, scientific and technological, educational and cultural, legal and consular spheres through the procedures provided for in this General Treaty and those which may be established in the future by virtue of this Treaty. To that end, a High-level Commission chaired by the Minister for Foreign Affairs of Brazil and the Minister for Foreign Affairs of Spain shall be established and shall be the vehicle for laying the groundwork for strengthening bilateral ties in the above-mentioned areas.

Article 2

The High-level Commission, which shall operate through the Ministry of Foreign Affairs of Brazil and the Ministry of Foreign Affairs of Spain, shall be the body responsible for the follow-up and evaluation of this General Treaty, without prejudice to the bodies and mechanisms already established under specific agreements, and shall hold meetings for purposes of consultation and analysis.

The appointment of the members of the respective delegations, the dates of meetings and the programme of work shall be determined through the diplomatic channel.

CHAPTER I. POLITICAL COOPERATION

Article 3

In the area of political cooperation, the Parties agree to:

(a) Increase the number of reciprocal visits and contacts between their respective Heads of State, Heads of Government and Ministers in order to strengthen political dialogue between the two Parties;

(b) Hold regular high-level political consultations on the positions and actions of the Parties at the international level. To that end, they shall encourage meetings between officials responsible for foreign affairs through bilateral mechanisms and in the various regional and multilateral forums.

Article 4

(a) The parties shall institute a system of high-level political consultations through a Political Commission of the High-level Commission.

(b) The Political Commission shall act as the Permanent Secretariat of the Treaty and shall meet at least once a year, alternately in Brasília and Madrid. It shall be chaired, on the Brazilian side, by the head of the Europe Department of the Ministry of Foreign Affairs, and, on the Spanish side, by the person appointed by the Minister for Foreign Affairs of Spain. It shall hold consultations as necessary; and shall coordinate the follow-up, analysis and evaluation of this General Treaty.

(c) The Political Commission shall analyse bilateral and international matters of mutual interest.

(d) The Political Commission shall prepare semi-annual reports for the High-level Commission on the conclusions reached at its meetings and at the meetings of other bodies.

CHAPTER II. ECONOMIC AND FINANCIAL COOPERATION

Article 5

In the area of economic cooperation, the Parties agree to establish a Global Programme of Cooperation, of five years' duration, which is described in the corresponding Economic Agreement and which forms an integral part of this Treaty.

Article 6

The Global Programme of Cooperation seeks to:

- Promote the joint development of Spain and Brazil, with the general aim of establishing mechanisms to help stimulate and modernize both economies and to expand economic and financial cooperation between the two Parties without prejudice to their international commitments;
- Foster the development of the production and service sectors in Brazil and Spain and the involvement of the business sector of each country in the development of the other. To that end, active participation shall be encouraged through the promotion of partnerships between Spanish and Brazilian companies, based on the principle of complementarity;
- Execute investment and joint-venture projects that enable the two Parties to develop new and priority activities aimed at equipping Spanish and Brazilian industries with advanced technology and making them internationally competitive.

Article 7

To achieve these objectives, the Programme proposes to:

- Establish a favourable and stable institutional framework that enables the economic agents of the two countries to develop and plan their medium-term and long-term activities;

- Make sufficient financial resources available for economic cooperation;
- Engage in appropriate and sustained publicity about the opportunities and potential for economic cooperation between Brazil and Spain.

Article 8

An Economic and Financial Subcommittee shall be established to monitor the implementation of the objectives and activities provided for in the Agreement. The rules governing the membership and functions of the Subcommittee shall be established in the Agreement.

CHAPTER III. TECHNICAL, SCIENTIFIC AND TECHNOLOGICAL COOPERATION

Article 9

In the area of technical, scientific and technological cooperation, the Parties agree to:

(a) Encourage and develop such cooperation with each other and jointly with the European Community and within the framework of other multilateral bodies. To that end, they shall establish specific programmes and projects in areas of mutual interest, which may include joint activities in third countries;

(b) Establish cooperation programmes and projects aimed at promoting institutional development, modernization of the production system and improvement of the population's quality of life, linking these actions, to the extent possible, with cooperation in economic and financial matters;

(c) Include in the cooperation programmes and projects the exchange of experiences and professionals; consultancy services and mutual technical assistance; human resources training; joint scientific research projects, technological development and innovation; and transfers of technology.

Article 10

Without prejudice to other efforts, the Parties shall promote bilateral cooperation in the following areas:

(a) Agribusiness (including the fishing sector), biotechnology, energy conservation, forestry, informatics and telecommunications, mining, new materials, transport and industrial development;

(b) Promotion of relations among companies, including the establishment of joint ventures and transfers of technology between the Parties;

(c) The service sectors, with special emphasis on tourism, urban services and health care;

(d) Natural resources and environmental quality in the context of the resolutions and recommendations of the 1992 United Nations Conference on Environment and Development;

(e) Scientific research, technological development and innovation, including joint participation in the "Science and Technology for Development Programme for the Quincentenary" (CYTED-D) as a multilateral programme involving the Ibero-American countries;

(f) Strengthening of the institutional framework of universities.

Article 11

Apart from the mechanisms and procedures established in the Basic Agreement on technical, scientific and technological cooperation, signed on 13 April 1989,¹ and the provisions of article 2 of this Treaty, the Parties may establish such additional mechanisms as may be required for the implementation of actions in the areas enumerated in articles 9 and 10 of this Treaty.

CHAPTER IV. CULTURAL COOPERATION

Article 12

Both Parties, in accordance with the agreements in force between the two countries, especially the Hispano-Brazilian Cultural Agreement,² and pursuant to the mechanism provided for in article 2 of this Treaty, agree to:

(a) Promote the teaching of the Spanish language in Brazil and of the Portuguese language in Spain;

(b) Facilitate academic exchanges between representatives of their respective universities, research institutes, establishments of higher education, cultural institutions, libraries, archives and other entities. To that end, both parties agree to establish a system of scholarships and research grants, which shall be awarded according to the priorities established by mutual agreement through the diplomatic channel;

(c) Exchange information and documentation on their respective educational systems with a view to adopting standards, methods and criteria by mutual agreement for facilitating and simplifying the reciprocal recognition of degrees;

(d) Promote the establishment of new cultural centres in cities in both countries;

(e) Support publications, assemble bibliographical material, and promote the formation of reading habits and co-publication agreements as well as the establishment of joint publishing houses which publicize, on a reciprocal basis, their respective literary achievements, both new and traditional;

(f) Increase the exchange of audio-visual material, especially films;

(g) In the way of artistic activities, promote the organization of cultural celebrations, festivals, exhibitions and other artistic events which help to disseminate the trends in the arts of both Parties, especially experimental trends;

(h) Stimulate cooperation in the training of experts and professionals in the cultural field through the promotion of courses, seminars and workshops;

(i) Support initiatives for the conservation, preservation and restoration of the historical and artistic heritage of interest to both Parties, as well as the cataloguing of the historical and cultural resources of interest to each Party in the territory of the other in accordance with the priorities established by mutual agreement through the diplomatic channel;

(j) In pursuance of the preceding subparagraph, maintain close cooperation designed to prevent and punish illegal traffic in works that are part of the artistic,

¹ United Nations, *Treaty Series*, vol. 1689, No. I-29129.

² *Ibid.*, vol. 658, p. 23.

historical or documentary heritage of the Parties, in the manner provided for in each country's legislation;

(k) Support collaboration between the national committees of the two countries in the commemoration of the Quincentenary of the Discovery/Encounter Between Two Worlds, as well as that of events and traditions of mutual interest.

CHAPTER V. CONSULAR COOPERATION

Article 13

The Parties agree to establish closer cooperation between their respective consular services and between the consular representatives of the sending State and the local authorities of the receiving State in accordance with the provisions of the Vienna Convention on Consular Relations.

Article 14

To that end, and in accordance with the provisions of article 2 of this Treaty, a Hispano-Brazilian Commission on Consular Cooperation shall be established by an exchange of notes and shall be responsible for proposing appropriate measures, methods and procedures for strengthening cooperation in this area; its composition, programme of work and schedule of meetings shall be agreed upon through the diplomatic channel.

Article 15

The two Parties undertake to consider broadening the scope of all bilateral treaties currently in force in the area of legal and consular cooperation and social security.

ADDITIONAL PROVISION

Article 16

Both Parties shall adopt such administrative and budgetary measures as are required in order to fulfil the commitments of this Treaty.

FINAL PROVISION

Article 17

This General Treaty shall enter into force 30 days after the date on which both Parties notify each other, through the diplomatic channel, that the formalities required under their domestic legislation have been completed, and shall remain in force indefinitely unless one of the Parties notifies the other, at least six months in advance, of its intention to the contrary.

DONE at Madrid on 23 July 1992, in two original copies in the Portuguese and Spanish languages, both texts being equally authentic.

For the Kingdom
of Spain:

FELIPE GONZÁLEZ MÁRQUEZ
President of the Government

For the Federative Republic
of Brazil:

FERNANDO COLLOR
President of the Republic

ECONOMIC AGREEMENT BETWEEN THE KINGDOM OF SPAIN AND
THE FEDERATIVE REPUBLIC OF BRAZIL FORMING PART OF THE
GENERAL TREATY OF COOPERATION AND FRIENDSHIP BETWEEN
SPAIN AND BRAZIL

The Kingdom of Spain and the Federative Republic of Brazil (hereinafter referred to as the Parties),

Whereas:

The economic growth of countries fosters political and social stability, the strengthening of democratic institutions and the attainment of higher levels of development;

The General Treaty of Cooperation and Friendship between the Kingdom of Spain and the Federative Republic of Brazil expresses the desire of both Governments for stronger and closer relations between the two countries and their peoples;

Both States aspire to the establishment of a new bilateral relationship, without prejudice to the international commitments entered into by each of them;

Both States wish to consolidate this relationship by giving it fresh impetus as part of a new kind of cooperation involving jointly undertaken economic projects;

The fact of belonging to the European Economic Community, in the case of Spain, and to the Southern Cone Common Market and the Latin American Integration Association, in the case of Brazil, shows the desire of both countries to strengthen regional integration structures that are likely to contribute in a positive way to the strengthening of the ties of cooperation between their respective regions and to foster the creation of a more equitable international order;

The Quincentenary of the Discovery is an event of great significance for both countries which should serve as an incentive for the deepening of bilateral economic relations and relations between the peoples of the two nations;

Have agreed as follows:

Article 1

The Parties shall formulate and implement a cooperation programme for the purpose of establishing mechanisms to help stimulate and modernize the economy of the Federative Republic of Brazil and expand economic and financial cooperation between the two countries, without prejudice to the international commitments entered into by each of them.

The objective of this programme is to mobilize Spanish loans and investments in Brazil amounting to approximately US\$ 3 billion over a period of five years.

To this end, the Parties shall, *inter alia*, take steps to encourage the development of the productive and service sectors in Brazil and the participation of Spanish business in such development, by promoting partnerships between Spanish and Brazilian enterprises.

The Parties shall also encourage investment and joint-venture projects which will enable the two countries to develop priority activities designed to raise the technological level of Spanish and Brazilian industries and make them internationally competitive.

Article 2

In order to achieve the aforementioned objectives, the Parties believe it is necessary to establish a favourable institutional framework and to promote and publicize in an appropriate manner the benefits and opportunities envisaged in this Agreement.

With the aim of establishing a juridical framework to promote the development of economic and business relations between the two countries, the two Parties shall consider the possibility of negotiating specific agreements in areas of mutual interest. To that end, they agree to begin negotiations for the revision of the Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, signed at Brasília on 14 November 1974.¹

Article 3

Spain shall provide up to US\$ 500 million in loans for the period 1992-1996 to fund exports of Spanish goods and services to Brazil.

Projects shall be financed with commercial loans on OECD agreed terms and in accordance with Brazilian and Spanish law. The specific terms for each loan shall be determined in accordance with the requirements of each project, and shall be guaranteed by the Spanish Export Credit Insurance Company (CESCE). Loans shall be granted preferably for private-sector projects which are aimed at improving technology and increasing export capacity and which are net generators of foreign currency.

The Spanish Party affirms its willingness to consider matching the financial terms offered by third countries for operations providing Brazil with supplies which are of special interest to that country and in which Spanish companies are involved.

Article 4

The Parties shall encourage investments of capital, in accordance with their respective legislation, and establish an overall target for investment of approximately US\$ 2.5 billion.

With a view to mobilizing investment and joint investment by public and private Spanish and Brazilian enterprises, the two Governments shall take various measures to promote and encourage such undertakings through the institutions and in the manner specified below:

1. The Spanish Institute for Foreign Trade (ICEX) and the Department of Trade Promotion of the Ministry of Foreign Affairs of Brazil shall promote direct investment in and shall publicize potential investment projects.

2. The Spanish Development Finance Company (COFIDES) shall encourage Spanish investment and joint investment by Spanish and Brazilian companies aimed, preferably, at the export of Brazilian goods and services. To that end, it may provide financial support for starting up such undertakings, and for endorsements and guarantees and, where appropriate, shall provide risk capital, although it shall always be temporary in nature and constitute a minority share.

3. The Spanish Export Credit Insurance Company (CESCE) shall insure investments made by Spanish individuals or bodies corporate in Brazil in accordance with the legislation in force.

¹United Nations, *Treaty Series*, vol. 1031, p. 7.

Article 5

The Parties shall support joint activities for publicizing, identifying and promoting investment opportunities through existing institutions in the two countries, and shall attach special importance to events which are likely to promote cooperation, such as fairs, specialized exhibitions and symposiums. To that end, the Parties shall support the organization of such events and encourage the participation of companies and institutions of both countries.

Article 6

In order to expand economic relations and to implement the projects referred to in this Agreement, the Parties shall take all measures to promote trade which they consider appropriate with a view to increasing the volume of trade between the two countries. Both Parties undertake not to enact measures that restrict or distort trade, which are incompatible with the rules and principles of the General Agreement on Tariffs and Trade for both countries, of the European Economic Community in the case of Spain and of the Latin American Integration Association and the Southern Cone Common Market in the case of Brazil.

Article 7

With a view to promoting industrial and economic cooperation, both Parties shall pay special attention to the specific problems of small and medium-sized enterprises.

Article 8

The Parties shall exchange information and shall coordinate their activities for the identification and implementation of projects to be financed from the Quinquenary Fund of the Inter-American Development Bank (IDB) in accordance with the rules laid down in the Agreement of that Fund.

Article 9

With the aim of effectively monitoring the implementation of this Agreement and ensuring the success of the commitments entered into, an Economic and Financial Subcommission shall be established, chaired by the Secretary of State for Trade on the Spanish side and, on the Brazilian side, by a high-ranking official to be designated for this purpose.

The Economic and Financial Subcommission shall, *inter alia*, carry out the following activities:

(a) Determine priority sectors and the specific projects to be promoted and supported;

(b) Conduct an ongoing campaign to promote investment and joint ventures, with the participation of both government agencies and the public and private sectors;

(c) Report annually to the Binational Commission on the progress made within the framework of this Agreement;

(d) Consider and recommend mechanisms and resources capable of promoting greater cooperation and contacts between enterprises of the two countries in order to channel their relations towards the achievement of the long-term economic objectives of the Parties to the Agreement;

(e) Consider and propose concerted actions in third countries for the joint implementation of projects and between enterprises and economic agents of Spain and Brazil, including opportunities for co-financing;

(f) Consider proposals for the effective implementation of the Agreement;

(g) Consider the development of those areas of cooperation in which it is necessary to expand and intensify relations;

(h) Examine other forms of cooperation on which the Parties may agree.

If necessary, the Economic and Financial Subcommission may establish working groups to deal with outstanding issues and/or to consider specific actions or proposals determined by the Subcommission.

The Economic and Financial Subcommission shall be established as soon as possible, once the present Economic Agreement has entered into force, and shall meet once a year, alternately in Spain and Brazil, or at the request of either Party, when deemed appropriate.

Article 10

This Agreement shall be valid for five years and shall enter into force on the same date as the General Treaty of Cooperation and Friendship, of which it is an integral part. At least six months prior to its expiration, the two Parties shall meet with a view to the conclusion of a new agreement.

DONE at Madrid on 23 July 1992, in two originals in the Portuguese and Spanish languages, both texts being equally authentic.

For the Kingdom
of Spain:

FELIPE GONZÁLEZ MÁRQUEZ
President of the Government

For the Federative Republic
of Brazil:

FERNANDO COLLOR
President of the Republic