

Thirteenth Meeting
October 18, 2004
Montevideo - Uruguay

ALADI/CM/Resolution 61 (XIII)
October 18, 2004

RESOLUTION 61 (XIII)

PARTICIPATION OF THE RELATIVELY LESS ECONOMICALLY DEVELOPED COUNTRIES IN THE INTEGRATION PROCESS

THE COUNCIL OF MINISTERS,

HAVING SEEN Chapter III and Articles 30, 35 and 38 of the 1980 Montevideo Treaty (TM80), and the Resolutions of the Council of Ministers in favour of the Relatively Less Economically Developed Countries,

HAVING CONSIDERED The need of improving the insertion of the Relatively Less Economically Developed Countries in the regional integration process in order to contribute to their harmonic and balanced development through the strengthening of support actions to those countries,

TAKING INTO ACCOUNT The study entrusted by the Committee of Representatives to the General Secretariat by virtue of the First Article of Resolution 56 (XII) of the Council of Ministers, entitled "*Identificación de factores endógenos y exógenos que inciden en la participación de los Países de Menor Desarrollo Económico Relativo en el comercio intrarregional*" (Identification of the endogenous and exogenous factors that have a bearing on the participation of the Relatively Less Economically Developed Countries in the intra-regional trade).

AWARE Of the convenience of directing the cooperation programs towards the improvement of the productivity and competitiveness of the Relatively Less Economically Developed Countries,

RESOLVES:

FIRST – Aiming at increasing the participation of the Relatively Less Economic Developed Countries in the flow of intra-regional trade by facilitating their access to the

markets of the member countries, the Committee of Representatives is entrusted to take the necessary measures in order to:

- Develop and propose additional mechanisms to the already existing organizations to grant the certainty and permanence of the preferences granted to the Relatively Less Economically Developed Countries.
- Periodically evaluate the preferential treatment system of the Relatively Less Economically Developed Countries based on the reports of the General Secretariat, prepared according to the second article of Resolution 56 (XII), and take measures in compliance with the third article of the same Resolution. For those purposes and according to the results of the reports, adapt the mechanisms to the needs of the Relatively Less Economically Developed Countries in accordance to their current and potential export offer.

SECOND – Entrust the Committee of Representatives to favour the development of cooperation actions among the member countries in specific areas of intra-regional trade aiming at strengthening competitiveness within the framework of the Special Cooperation Programmes established by the TM80, especially the ones referred to productive aspects and the improvement of marketing capability.

Those actions shall be focused on supporting the efforts of each of the Relatively Less Economic Developed Countries aiming at overcoming the different endogenous and exogenous factors that negatively affect the participation of those countries in the intra-regional trade.

The support referred to in the previous paragraph shall also consider actions related to the exports promotion systems, the marketing intelligence services and the building of a country image for their main export products.

THIRD – Give instructions to the General Secretariat to take the following actions within the framework of the Support System to the Relatively Less Economically Developed Countries:

- a) Coordinate with the Relatively Less Economically Developed Countries in order to harmonize the yearly cooperation provided by the ALADI with the international cooperation received by those countries,
- b) Implement a qualifying system for projects including certain criteria and requirements and favouring a higher participation of the private sector, especially the SMBs, and
- c) Present to the Committee of Representatives a proposal of creation of information and consultation exchange mechanisms, without prejudice to the already existing ones, in order to look for specific solutions to take care of the trade sensitivity of the Relatively Less Economically Developed Countries that might arise in the convergence process of the agreements signed within the framework of the ALADI.

FOURTH - Entrust the Committee of Representatives to support the regional and subregional projects and initiatives on physical integration that favour the relatively less economically developed countries, especially the ones related to transport that allow Bolivia and Paraguay, given their condition of inland countries, to access the markets of the region in competitive conditions. In that sense, the improvement of the current mechanisms within the region or the development of new transport agreements

directed to facilitate the free traffic shall prevail, as well as actions and agreements on telecommunications and energy, and the deepening of the same.

FIFTH – Exhort the Relatively Less Economically Developed Countries to implement measures to ease the effects of the exogenous factors and to contribute to remove the endogenous obstacles that limit the development of the systemic competitiveness of their economies, using, among others, the integration systems to which they belong.
