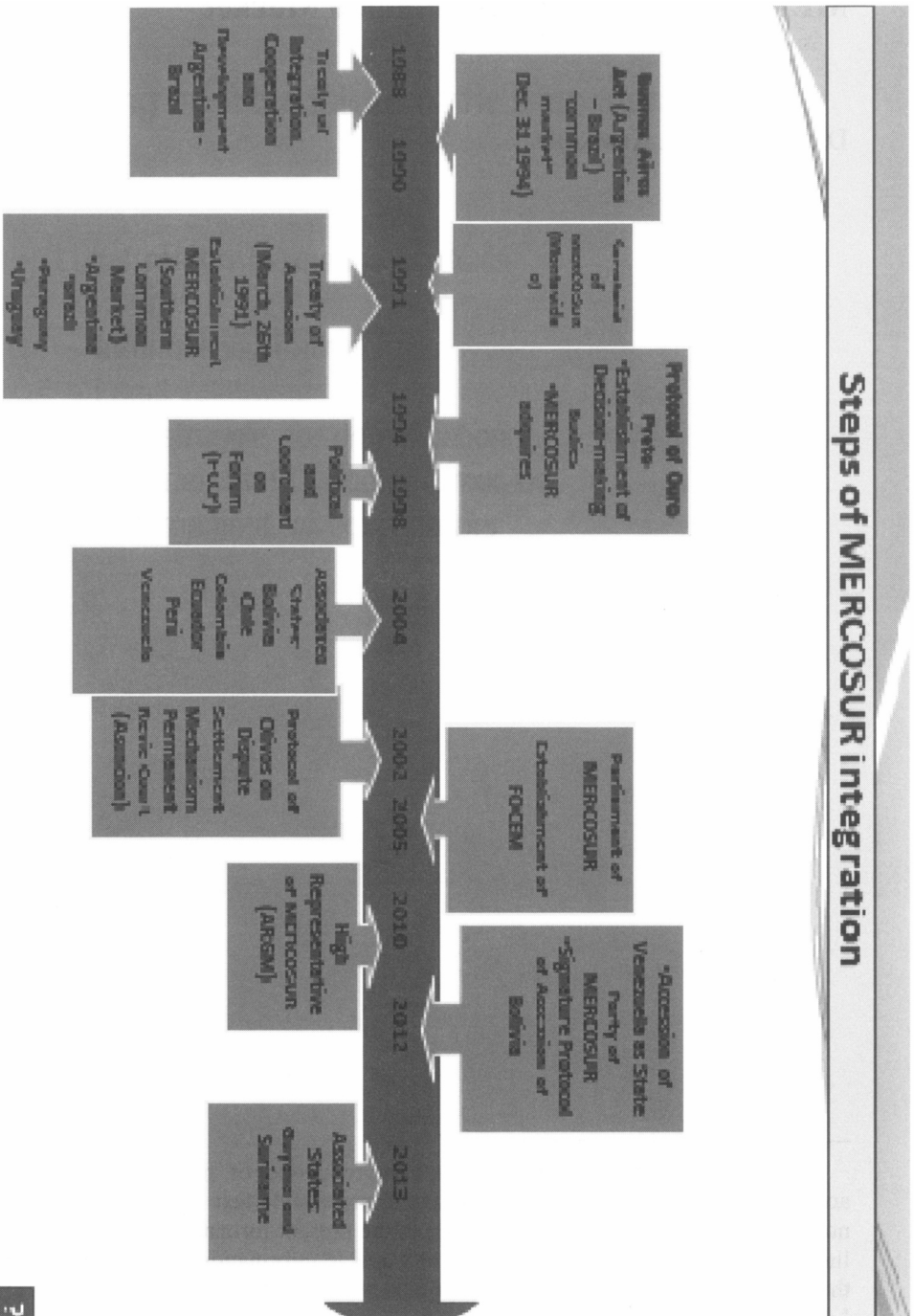


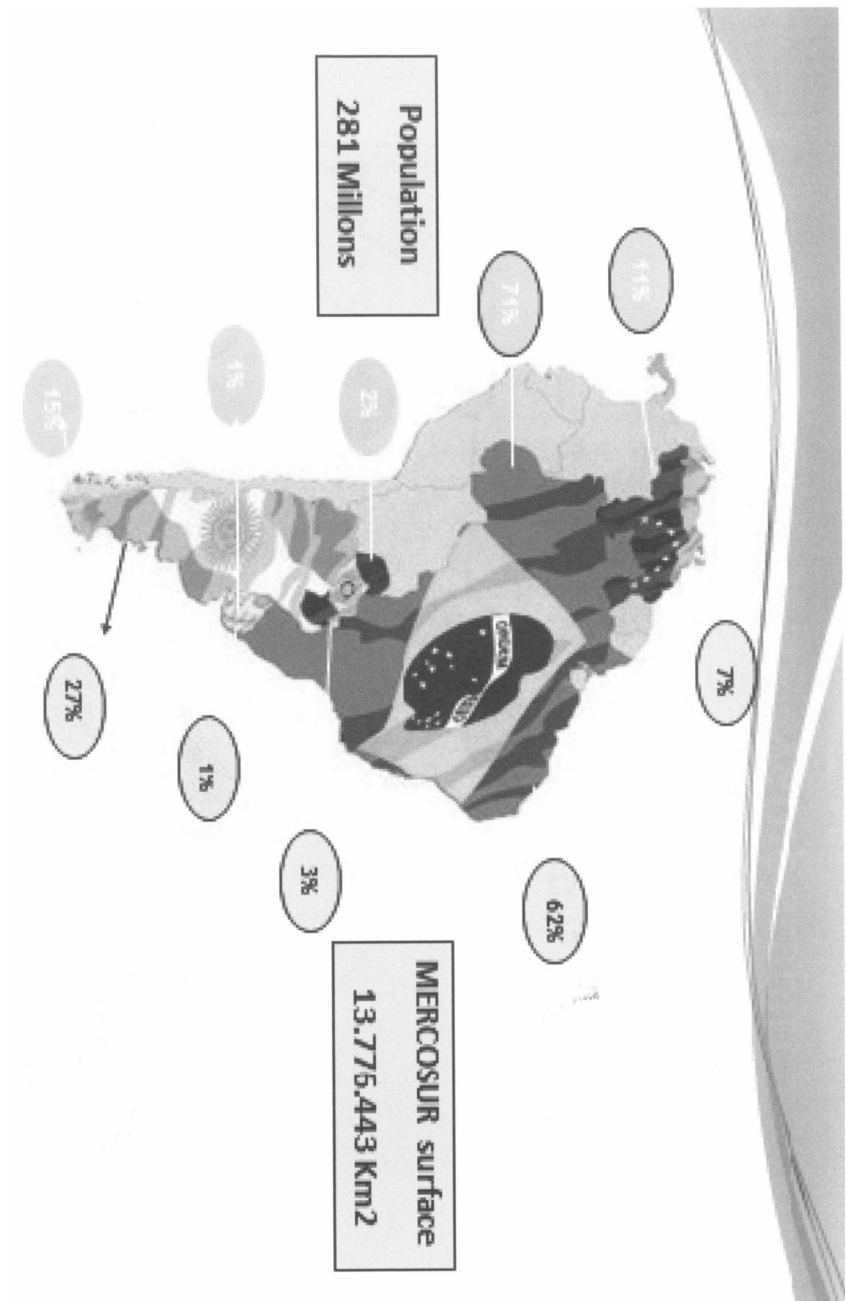
MERCOSUR: Southern Common Market[†]

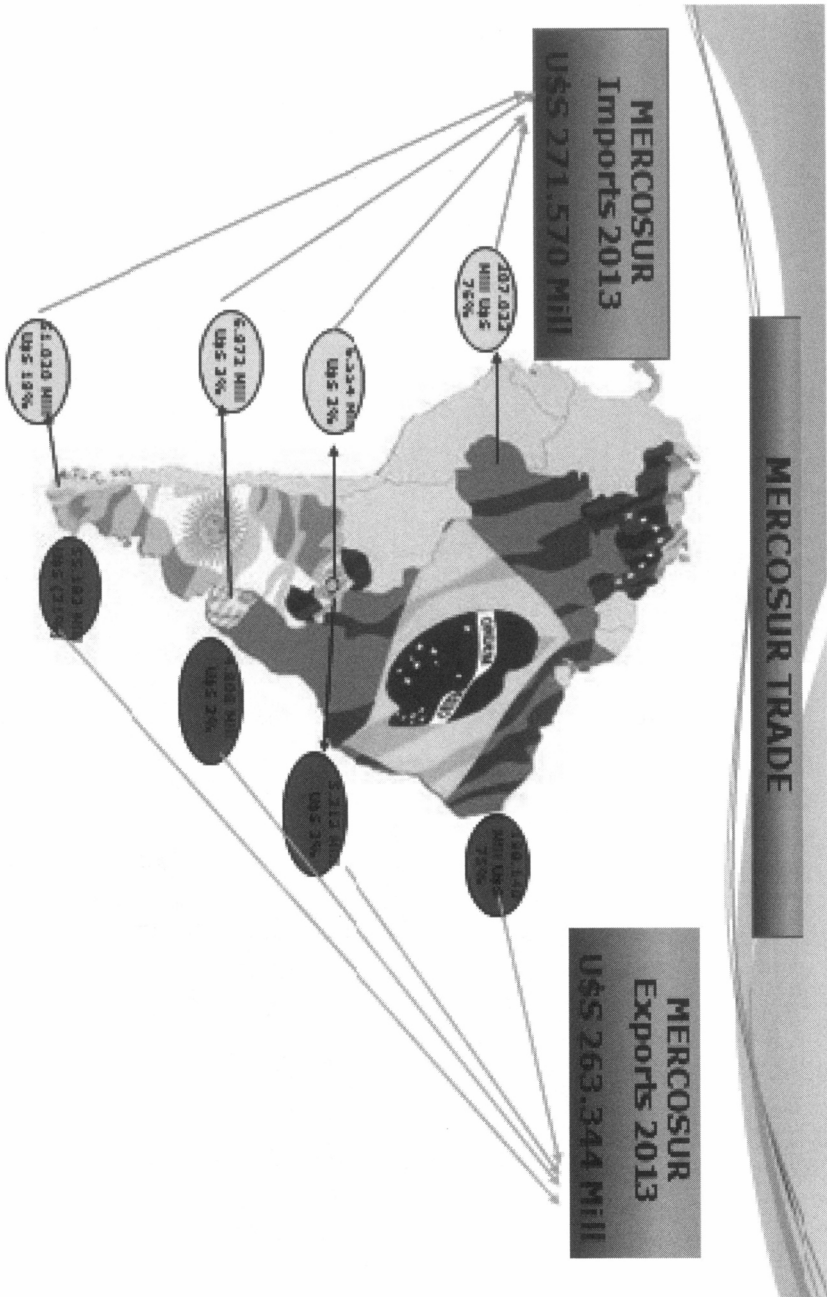
DARIO CELAYA ALVAREZ^{*}

[†] Editor's note: The following is a reproduction of presentation slides that accompanied the author's talk. A narrative or prose style text of the presentation was not available. The information contained in the present format is naturally somewhat limited, but it still provides a great deal of valuable information and useful context for the subject. Slides are reproduced and printed here to maximize their readability.

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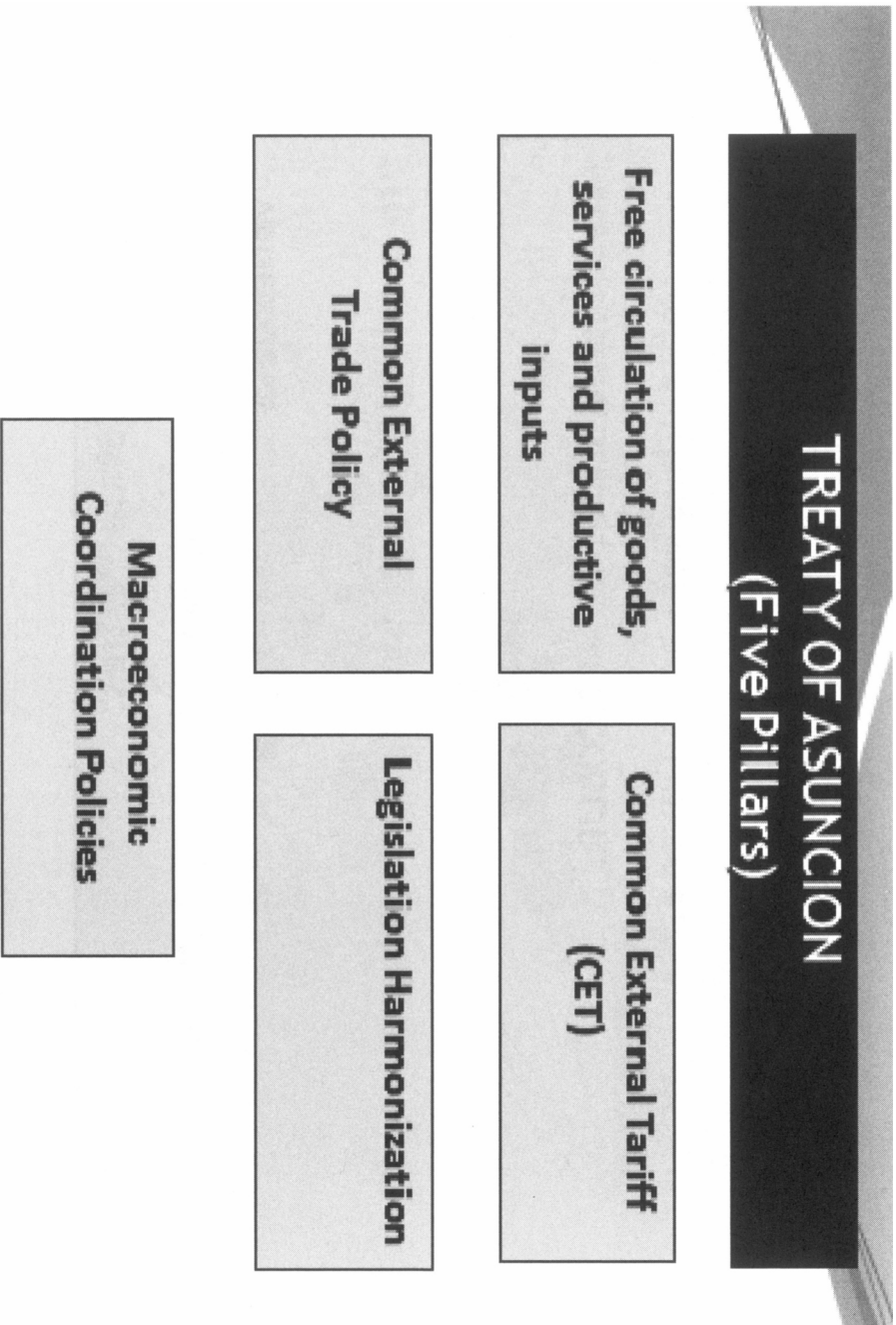


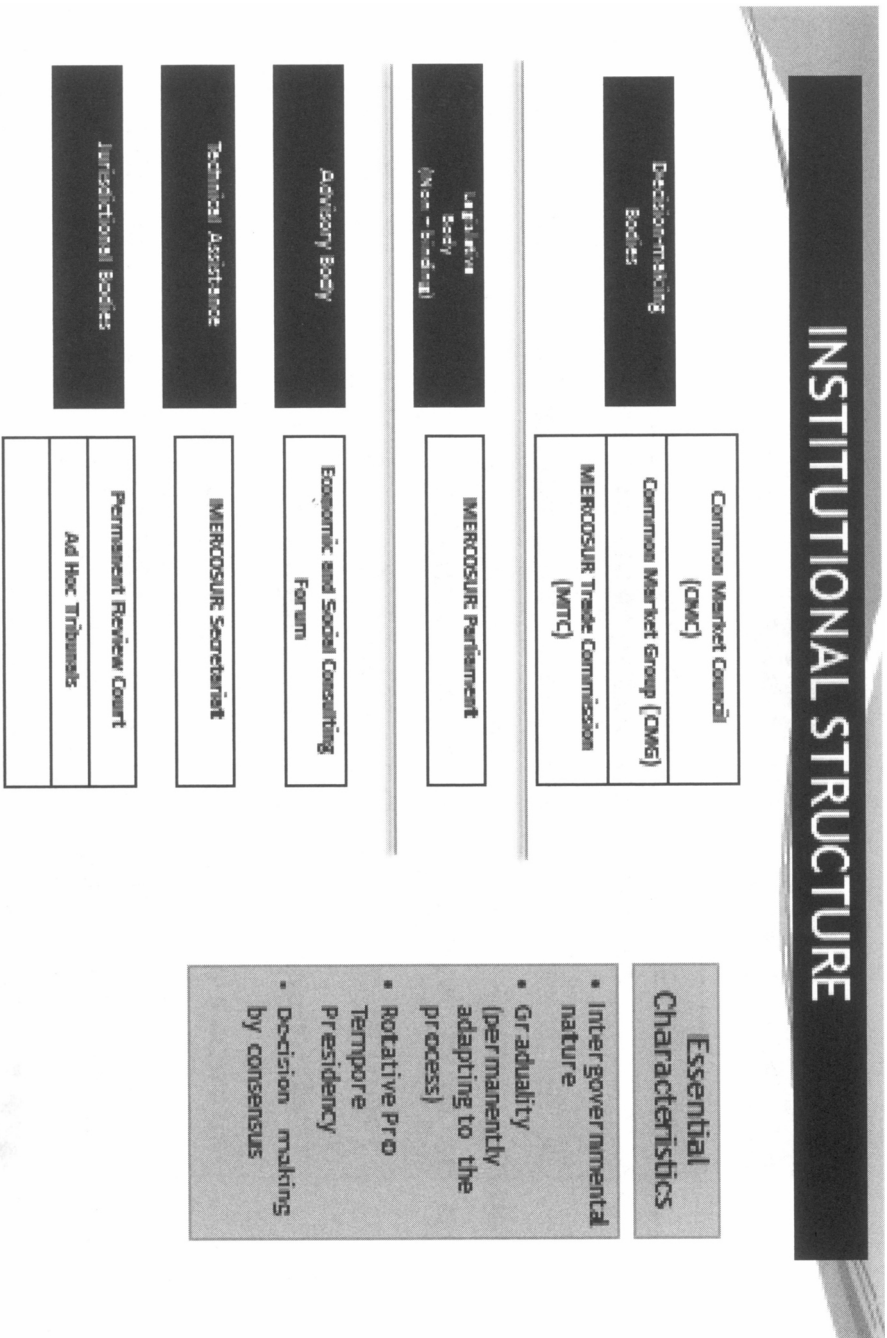




MERCOSUR Membership

- **MERCOSUR State Parties:**
Argentina, Brazil, Paraguay, Uruguay and
Venezuela
- **In process of accession:**
Bolivia
- **Associated States to MERCOSUR:**
Colombia, Chile, Ecuador, Guyana, Peru and
Suriname





Common Market Council (CMC)

- **Highest political Body – Lead the integration policies and compliance of the Asuncion Treaty objectives**
- **Membership: Ministers of Foreign Affairs and Economy**
- **Structure: Auxiliary Bodies and Ministerial Meetings**
- **Presidency: Six monthly rotation by alphabetical order**
- **Meetings frequency: Once every six months, prior to the MERCOSUR Summits. Two-session meetings (State Parties, and State Parties with Associated States)**
- **Outputs: CMC Decisions & Recommendations**

Common Market Group (GMC)

- **Executive Body - Enforcement of CMC policies and Coordination of technical Working Groups**
- **Membership : Representatives of the Ministries of Foreign Affairs, Economy and the Central Banks.**
- **Structure: Auxiliary Working Groups, Specialized Meetings, Ad Hoc Groups, etc.**
- **Meetings frequency: ordinary (at least twice every six months) and extraordinary meetings**
- **Initiative Capacity**
- **Outputs: GMC Resolutions**

MERCOSUR Trade Commission (MTC)

- **Follow up of Common Trade Policy**
- **Scope: Common External Tariff (CET), Trade Remedies, Rules of Origin, Tariff Classification etc.**
- **Membership: Representatives of the Ministries of Foreign Affairs and Economy**
- **Structure: Auxiliary Technical Committees**
- **Meetings frequency: once a month in Montevideo**
- **Results: MTC Directives**

MERCOSUR Parliament

- Representation of MERCOSUR's citizenship
- Membership :
 - First Stage (until 2011):
 - 18 representatives for State Party designated by National Parliaments
 - Second stage (until 2020):
 - Argentina (26), Brazil (37), Paraguay (18), Uruguay (18) and Venezuela (23)
 - Third Stage (2021 onwards): election by popular.
 - Argentina (43), Brazil (75), Paraguay & Uruguay (18) and Venezuela (33)
- Structure: One Chamber
- Decision Making process: majority voting (different majorities depending on the issue under consideration)
- Scope:
 - No-binding participation in Decision making processes of MERCOSUR Bodies.
 - Submission of proposals to Common Market Council (CMC)
 - Request advisory opinion to the Permanent Review Court
- Venue: Montevideo

Permanent Review Court

- Created by the Olivos Protocol (2002)
- Membership: one Judge for each State Party and one designated by consensus of State Parties
- Non standing
- Scope: State - to - State Disputes
- Judiciary functions: review of Ad Hoc Tribunals rulings and as a "only instance";
- Interpretative functions (upon request): non binding opinions
- Its ruling no subject to appealing proceedings
- Venue: Asuncion

MERCOSUR Secretariat

- **Technical and operative assistance Body**
- **Scope:**
 - Administrative tasks
 - Technical support to decision making bodies and technical fora
 - Publication of the "Official Journal of MERCOSUR" and MERCOSUR documents
 - Official Archive of MERCOSUR
 - Venue: Montevideo

MERCOSUR External Relations

- **MERCOSUR, as a Customs Union, negotiates trade agreements with third countries or group of countries as one block**
- **The main two axes of MERCOSUR External Relations are:**
 - **Trade Agreements:**
 - **Framework Agreements**
 - **Free Trade Agreements (FTAs)**
 - **Preferential Trade Agreements (PTAs)**
 - **Dialogue Mechanisms on Economical and Trade Matters, and Political Dialogue.**

MERCOSUR Framework Agreements

- European Union (1995)
- Southern African Customs Union (SACU) (2000)
- India (2003)
- Marrouxu (2004)
- Egypt (2004)
- Israel (2005)
- Gulf Cooperation Council (GCC) (2005)
- Pakistan (2006)
- Jordanania (2008)
- Turkey (2008)
- Syria (2010)
- Palestine (2010)
- Guyana and Suriname (2012) (*Associated States*)

MERCOSUR Free Trade Agreements

- **Regional Agreements:**
 - *Chile (1995)*
 - *Bolivia (1996)*
 - *México (2002)*
 - *Perú (2003)*
 - *Colombia, Ecuador, Venezuela (2004)*
 - *Cuba (2006)*
 - **Extra-regional Agreements:**
 - *Israel (2007)*
 - *Egipto (2010)*
 - *Palestina (2011)*
- ✓ **On going negotiations :**
MERCOSUR - EU

- Free Trade Agreements**
- **Scope:** according to WTO rules
 - **Liberalization Program:** process of reduction and elimination of custom duty tariffs
 - **Trade Disciplines:** Rules of Origin, Trade Remedies, Technical Barriers to Trade, Sanitary and Phytosanitary Measures and Dispute Settlement Procedures

Preferential Trade Agreements

- **Preferential Trade Agreements**

India (2007)
SACU (2004 and 2008)

- **Preferential Trade Agreements**

- Scope: specific universe of goods
- Liberalization Program: fixed preferential tariffs
- Trade Disciplines: Rules of Origin, Trade Remedies, Technical Barriers to Trade, Sanitary and Phytosanitary Measures and Dispute Settlement Procedures

Dialogue Mechanisms on Economical and Trade Matters and Political Dialogue

Dialogue Mechanisms:

- European Free Trade Association (EFTA)
- Australia & New Zealand (Closed Economic Relations))
- China
- Japan
- Korea,
- Singapore
- ASEAN.

Political Dialogue:

- Russian Federation
- Turkey
- Cuba