

No. 27437

**BRAZIL
and
PARAGUAY**

**Agreement for the establishment of a bonded warehouse in
the Port of Rio Grande. Signed at Brasília on 21 July
1987**

Authentic texts: Portuguese and Spanish.

Registered by Brazil on 24 July 1990.

**BRÉSIL
et
PARAGUAY**

**Accord en vue de la création d'un entrepôt franc dans le Port
de Rio Grande. Signé à Brasília le 21 juillet 1987**

Textes authentiques : portugais et espagnol.

Enregistré par le Brésil le 24 juillet 1990.

[TRANSLATION — TRADUCTION]

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE FEDERATIVE REPUBLIC OF BRAZIL AND THE GOVERNMENT OF THE REPUBLIC OF PARAGUAY FOR THE ESTABLISHMENT OF A BONDED WAREHOUSE IN THE PORT OF RIO GRANDE

The Government of the Federative Republic of Brazil and

The Government of the Republic of Paraguay,

Inspired by the fraternity and growing cooperation that mark relations between the two countries,

Mindful of the landlocked situation of Paraguay and of the Federative Republic of Brazil's determination, as ratified at the highest level, to make every effort to provide its brother nation with access to Brazilian seaports,

Bearing in mind the spirit and letter of the Treaty of the River Plata Basin² and the other instruments governing the system of harmonious development and physical integration in the region,

Considering the provisions of article XIV of the Treaty of friendship and cooperation of 4 December 1975,³

Have agreed as follows:

Article I

The Government of the Federative Republic of Brazil undertakes to make available a bonded warehouse in the port of Rio Grande for the receipt, storage and distribution of bulk grain of Paraguayan provenance and origin, shipped exclusively by rail, and for the receipt, storage and shipment of bulk grain bound for Paraguay by the same mode of transport, for consumption in that country, the stored merchandise being considered for customs purposes to be duty-free and subject only to the payment of fees for services rendered.

Article II

The Government of the Republic of Paraguay shall set up the bonded warehouse and undertakes to provide it with the necessary capacity for storage and movement of the grain received there. In organizing the bonded warehouse, due attention shall be paid to the requirements of Brazil and of Paraguay within the limitations of Brazilian legislation.

Article III

Inspection of the bonded warehouse shall be carried out by Brazilian customs authorities.

¹ Came into force on 7 February 1990, the date of receipt of the last of the notifications by which the Contracting Parties informed each other of the completion of the respective constitutional formalities for its approval, in accordance with article VI.

² United Nations, *Treaty Series*, vol. 875, p. 3.

³ *Ibid.*, vol. 1242, p. 147.

Article IV

The Government of the Republic of Paraguay may station one or more agents at the bonded warehouse, where they shall act for the owners of grain received there in their relations with the Brazilian authorities, with respect to the operational aspects of transport, storage, handling, sale or loading of Paraguayan export grain or the possible receipt of imported grain and its shipment to Paraguay.

Article V

The Government of the Federative Republic of Brazil shall regulate the use of the bonded warehouse in the port of Rio Grande in such a way that the necessary fiscal precautions are taken and the existing legal provisions relating to the transit of merchandise through Brazilian territory are complied with.

Article VI

Each Contracting Party shall notify the other of the completion of the constitutional formalities needed for the approval of this Convention, which shall enter into force on the date of receipt of the second of these notifications.

Article VII

This Agreement may be denounced by either Contracting Party at any time, and it shall cease to have effect one year from the date of the note of denunciation.

DONE at Brasilia on 21 July 1987 in two original copies in the Portuguese and Spanish languages, both texts being equally authentic.

For the Government
of the Federative Republic
of Brazil:

[Signed]

ROBERTO DE ABREU SODRÉ

For the Government
of the Republic of Paraguay:

[Signed]

CARLOS AUGUSTO SALDIVAR